KELUN-BIOTECH
科伦博泰

四川科倫博泰生物醫藥股份有限公司

Sichuan Kelun-Biotech Biopharmaceutical Co., Ltd.

（於中華人民共和國註冊成立的股份有限公司）

(A joint stock company incorporated in the People's Republic of China with limited liability)

股份代號：6990

Stock Code：6990

2025 半年報

Interim Report

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman of the Board and Non-executive Director

Mr. LIU Gexin (劉革新)

Executive Director

Dr. GE Junyou (葛均友)

Non-executive Directors

Mr. LIU Sichuan (劉思川)
Mr. LAI Degui (賴德貴)
Mr. FENG Hao (馮昊)
Ms. LIAO Yihong (廖益虹)
Mr. ZENG Xuebo (曾學波)

Independent Non-executive Directors

Dr. ZHENG Qiang (鄭強)
Dr. TU Wenwei (涂文偉)
Dr. JIN Jinping (金錦萍)
Dr. LI Yuedong (李越冬)

JOINT COMPANY SECRETARIES

Mr. ZHOU Zejian (周澤劍)
Mr. CHUNG Ming Fai (鍾明輝)

AUTHORIZED REPRESENTATIVES

Dr. GE Junyou (葛均友)
Mr. CHUNG Ming Fai (鍾明輝)

SUPERVISORS (From the beginning of the Reporting Period until the abolishment of the Supervisory Committee on June 20, 2025)

Ms. LIAO Yihong (廖益虹)
Dr. SONG Hongmei (宋宏梅)
Ms. YANG Qiuyan (楊秋艷)
Dr. QING Yan (卿燕)

AUDIT COMMITTEE

Dr. LI Yuedong (李越冬) *(Chairperson)*
Dr. TU Wenwei (涂文偉)
Dr. ZHENG Qiang (鄭強)

REMUNERATION COMMITTEE

Dr. ZHENG Qiang (鄭強) *(Chairperson)*
Mr. LIU Sichuan (劉思川)
Dr. JIN Jinping (金錦萍)

NOMINATION COMMITTEE

Mr. LIU Gexin (劉革新) *(Chairperson)*
Dr. TU Wenwei (涂文偉)
Dr. JIN Jinping (金錦萍)

AUDITOR

KPMG
Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
8/F, Prince's Building
10 Chater Road
Central
Hong Kong

REGISTERED OFFICE, HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

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Sichuan Province, PRC

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PRINCIPAL BANKS

Bank of China Limited
Chengdu Wenjiang Sub Branch

Industrial Bank Co., Ltd.
Chengdu Wenjiang Sub Branch

China CITIC Bank Corporation Ltd.
Chengdu Yingbin Avenue Sub Branch

China Merchants Bank Co., Ltd.
Chengdu Wenjiang Sub Branch

HONG KONG LEGAL ADVISERS

Sullivan & Cromwell (Hong Kong) LLP

H SHARE REGISTRAR

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

STOCK CODE

H Share: 06990

COMPANY'S WEBSITE

https://kelun-biotech.com

FINANCIAL AND BUSINESS HIGHLIGHTS

FINANCIAL HIGHLIGHTS

The independent auditor of the Company has 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 HKICPA.

	Six months ended June 30,		
	2025	2024	Period to
	RMB'000	RMB'000	period change
	(Unaudited)	(Unaudited)	
Revenue	**950,445**	1,382,791	-31.3%
Research and development expenses	**(611,539)**	(652,337)	-6.3%
(Loss)/profit for the period	**(145,175)**	310,226	-146.8%
Adjusted (loss)/profit for the period[1]	**(69,398)**	385,636	-118.0%

	As at	As at	
	June 30,	December 31,	
	2025	2024	
Cash and financial assets[2]	**4,527,814**	3,075,651	47.2%
Total Equity	**5,014,290**	3,308,661	51.6%

BUSINESS HIGHLIGHTS

Since the beginning of 2025, we have made encouraging progress in our business:

- **Key developments of our ADC and novel DC assets:**
  - We have more than 10 ADC and novel DC assets at clinical stage or above, including sac-TMT (佳泰莱®) which has received marketing authorization for two indications, and trastuzumab botidotin (舒泰莱®)[3] which has reached NDA stage for HER2+ BC.

Notes:

(1) Calculated by deducting equity-settled share-based payment from profit/(loss) for the period. The equity-settled share-based payment was RMB75.8 million and RMB75.4 million for the six months ended June 30, 2025 and 2024, respectively.

(2) Comprises cash and cash equivalents, restricted deposits, financial assets measured at fair value through profit or loss, financial assets measured at amortized cost and financial assets measured at fair value through other comprehensive income.

(3) Trade name to be approved by NMPA.

- Sac-TMT has received the following marketing authorizations in China from the NMPA, and we have commenced their commercialization:
  - Sac-TMT in adult patients with unresectable locally advanced or metastatic TNBC who have received at least two prior systemic therapies (at least one of them for advanced or metastatic setting); and
  - Sac-TMT in treatment of adult patients with EGFR mutant-positive locally advanced or metastatic non-squamous NSCLC following progression on EGFR-TKI therapy and platinum-based chemotherapy. This is the first TROP2 ADC drug approved for marketing in LC globally.
- ***Our Core Product sac-TMT (sacituzumab tirumotecan, TROP2 ADC) (also known as SKB264/MK-2870) (佳泰莱®):***
  - **TNBC.** In November 2024, we received marketing authorization in China from the NMPA for sac-TMT in adult patients with unresectable locally advanced or metastatic TNBC who have received at least two prior systemic therapies (at least one of them for advanced or metastatic setting). Sac-TMT is the first domestically developed ADC with global intellectual property rights to receive complete marketing authorization in China.

    Our results from the Phase 3 study of sac-TMT in patients with previously treated locally recurrent or metastatic TNBC were presented at the ASCO Annual Meeting in May 2024. Sac-TMT demonstrated a statistically significant and clinically meaningful improvement in PFS and OS. The median PFS, as assessed by BICR, was 6.7 months (95% CI: 5.5, 8.0) with sac-TMT and 2.5 months (95% CI: 1.7, 2.7) with chemotherapy, and HR was 0.32 (95% CI: 0.24, 0.44, p<0.00001), and the risk of disease progression or death was reduced by 68%. The median OS was not reached with sac-TMT (95% CI: 11.2, NE) and 9.4 months with chemotherapy (95% CI: 8.5, 11.7), HR was 0.53 (95% CI: 0.36, 0.78, p=0.0005), and the risk of death was reduced by 47%. ORR was 45.4% with sac-TMT compared to 12% with chemotherapy. The subset of patients with high TROP2 expression (H-score>200) had a higher median PFS (8.3 months) and ORR (52.1%) with sac-TMT.

    We have initiated a Phase 3 registrational study of sac-TMT monotherapy versus investigator-choice chemotherapy for 1L advanced TNBC.
  - **HR+/HER2- BC.** In May 2025, the NDA for sac-TMT for the treatment of adult patients with unresectable locally advanced or metastatic HR+/HER2- BC who have received prior ET and other systemic treatments in the advanced or metastatic setting was accepted by the NMPA, and was included in the priority review and approval process. A Phase 3 registrational study of sac-TMT versus investigator's choice of chemotherapy for treatment of patients with unresectable locally advanced, recurrent or metastatic HR+/HER2- BC who received prior ET is in progress.

- **EGFR-mutant NSCLC.** In March 2025, we received marketing authorization in China from the NMPA for sac-TMT for the treatment of adult patients with EGFR mutant-positive locally advanced or metastatic non-squamous NSCLC following progression on EGFR-TKI therapy and platinum-based chemotherapy. Sac-TMT monotherapy demonstrated a statistically significant and clinically meaningful improvement in ORR, PFS and OS compared with docetaxel. This is the first TROP2 ADC drug approved for marketing in LC globally.

  Our results from the pivotal study of sac-TMT in patients with previously treated advanced EGFR-mutant NSCLC were presented at the ASCO Annual Meeting in June 2025. Sac-TMT achieved statistically significant clinical outcomes compared to docetaxel: confirmed ORR (BIRC: 45.1% vs 15.6%, one-sided p=0.0004); PFS (BIRC: median 6.9 vs 2.8 months, HR=0.30, one-sided p<0.0001; INV: median 7.9 vs 2.8 months, HR=0.23); with 36.4% of patients in docetaxel group crossed over to receive sac-TMT, median OS was NR for both groups (HR=0.49, one-sided p=0.007). The median OS analysed by pre-specified RPSFT model adjusted for crossover was 9.3 months for docetaxel and NR for sac-TMT (HR=0.36).

  In addition, a Phase 3 registrational study of sac-TMT combined with osimertinib as first-line treatment of locally advanced or metastatic non-squamous EGFR-mutant NSCLC is in progress.

- **EGFR-wild type NSCLC.** Two Phase 3 registrational studies of sac-TMT, namely (i) sac-TMT in combination with pembrolizumab (KEYTRUDA®)[4] versus pembrolizumab for first-line treatment of patients with PD-L1 positive locally advanced or metastatic NSCLC, and (ii) sac-TMT in combination with pembrolizumab versus chemotherapy combined with pembrolizumab as first-line treatment for patients with PD-L1 negative locally advanced or metastatic non-squamous NSCLC are in progress.

  In June 2025, sac-TMT in combination with tagitanlimab was granted Breakthrough Therapy Designation by the NMPA for the first-line treatment of locally advanced or metastatic non-squamous NSCLC without actionable genomic alterations.

- **Other indications.** We are actively exploring the potential of sac-TMT both as a monotherapy and in combination with other therapies for treating other solid tumors, including GC, EC, CC, OC, UC, CRPC and HNSCC.

- **Global clinical development.** In May 2022, we licensed to MSD the exclusive rights to develop, use, manufacture and commercialize sac-TMT in all territories outside of Greater China (which includes Mainland China, Hong Kong, Macao, and Taiwan). As at the date of this Interim Report, MSD is progressing 14 ongoing Phase 3 global, multi-center clinical studies for sac-TMT for several types of cancer including BC, LC, gynecological cancer and GI cancer. We are also collaborating with MSD on several global Phase 2 basket studies for sac-TMT as monotherapy or in combination with other agents for multiple solid tumors and those studies are ongoing.

Notes:

(4) Pembrolizumab (KEYTRUDA®) is a registered trademark of Merck Sharp & Dohme LLC, a subsidiary of Merck & Co., Inc., Rahway, NJ, USA.

- **Clinical data readout.** We presented clinical data on studies of sac-TMT at various academic conferences and published in journals, such as:

  - *2025 ASCO GU Cancers Symposium.*

    - Efficacy and safety results from the Phase 1/2 KL 264-01/MK-2870-001 study (NCT04152499) of sac-TMT monotherapy in patients with unresectable, locally advanced or metastatic UC who progressed on or after prior anti-cancer therapies;

  - *2025 ASCO Annual Meeting.*

    - Sac-TMT in patients with previously treated advanced EGFR-mutated NSCLC: Results from the randomized OptiTROP-Lung03 study;

    - Sac-TMT as first-line treatment for unresectable locally advanced/metastatic TNBC: Initial results from the Phase 2 OptiTROP-Breast05 study;

    - Sac-TMT in combination with tagitanlimab (anti-PD-L1) in first-line advanced NSCLC: Non-squamous cohort from the Phase 2 OptiTROP-Lung01 study;

    - Sac-TMT in patients with previously treated locally advanced or metastatic NSCLC harboring uncommon EGFR mutations: Preliminary results from a Phase 2 Study;

  - *The British Medical Journal.*

    - Sac-TMT versus docetaxel for previously treated EGFR-mutated advanced NSCLC: multicentre, open label, randomised controlled trial (OptiTROP-Lung03);

  - *Nature Medicine.*

    - Sac-TMT in previously treated metastatic TNBC: a randomized Phase 3 trial (OptiTROP-Breast01);

    - Sac-TMT in advanced NSCLC with or without EGFR mutations: Phase 1/2 and Phase 2 trials; and

  - *Journal of Hematology & Oncology.*

    - Results of a phase 1/2 study of sac-TMT in patients with unresectable locally advanced or metastatic solid tumors refractory to standard therapies.

In addition, we will present results from a few clinical studies of sac-TMT at 2025 ESMO Congress to be held in Berlin, Germany from October 17 to 21, 2025, local time.

- ***Our Core Product trastuzumab botidotin (HER2 ADC, also known as A166) (舒泰莱®)[5]:***

  - In January 2025, an NDA for the treatment of adult patients with HER2+ unresectable or metastatic BC who have received at least one prior anti-HER2 therapy was accepted by the CDE of the NMPA. At a pre-specified interim analysis, trastuzumab botidotin monotherapy demonstrated a statistically significant and clinically meaningful improvement in the primary endpoint of PFS as assessed by the BICR compared with T-DM1.

  - Trastuzumab botidotin has met the primary endpoints of its pivotal Phase 2 trial for 3L+ advanced HER2+ BC based on results from the primary analysis, which we used to submit an NDA to the NMPA.

  - We have also initiated an open, multicenter Phase 2 clinical study of trastuzumab botidotin in the treatment of HER2+ unresectable or metastatic BC that previously received a topoisomerase inhibitor ADC.

- ***Others:***

  - **SKB315 (CLDN18.2 ADC).** The early-stage clinical data of SKB315 demonstrates promising efficacy and acceptable safety profile in GC with mid and high CLDN18.2 expression. We are conducting a Phase 1b clinical trial of SKB315 and have initiated the exploration in combination with immunotherapy for the treatment of GC/GEJC. Results of a Phase 1 study of SKB315 will be presented at 2025 ESMO Congress in October 2025.

  - **SKB410/MK-3120 (Nectin-4 ADC).** SKB410 has shown promising Phase 1 clinical data. MSD, as the sponsor, has launched the global Phase 1/2 clinical trial of SKB410/MK-3120.

  - **SKB571/MK-2750.** SKB571 is a novel bsADC that primarily targets various solid tumors such as LC and CRC etc. being developed in collaboration with MSD. The Phase 2 clinical trial in China is to be initiated.

  - **SKB518, SKB535/MK-6204 and SKB445.** SKB518, SKB535 and SKB445 are novel ADC drugs with potential FIC targets. The Phase 2 clinical trial for SKB518 and the Phase 1 clinical trials for SKB535 and SKB445 are ongoing in China. The Company has entered into a license and collaboration agreement with MSD to develop SKB535.

  - **SKB500 and SKB501.** SKB500 and SKB501 are novel ADC drugs with verified targets but differentiated payload-linker strategies. In November and December 2024, we received a clinical trial notice approving the IND application of SKB501 and SKB500, respectively, for advanced solid tumors from the NMPA.

Notes:

(5) Trade name to be approved by NMPA.

- **SKB107.** SKB107 is a RDC drug jointly developed by us and the Affiliated Hospital of Southwest Medical University (西南醫科大學附屬醫院) targeting bone metastases in solid tumors. In March 2025, an IND application for SKB107 was approved by the NMPA and the Phase 1 study is ongoing.

- **Key developments of our non-DC assets:**
  - We have received the following marketing authorizations in China from the NMPA for tagitanlimab and Cetuximab N01:
    - *Tagitanlimab (科泰莱®)*. (1) Tagitanlimab for the treatment of patients with recurrent or metastatic NPC who have failed after prior 2L+ chemotherapy, and (2) tagitanlimab used in combination with cisplatin and gemcitabine for the first-line treatment of patients with recurrent or metastatic NPC; and
    - *Cetuximab N01 (达泰莱®)*. Cetuximab N01 Injection used in combination with FOLFOX or FOLFIRI regimens for first-line treatment of RAS wild-type mCRC.
  - **Tagitanlimab (PD-L1 mAb, also known as A167) (科泰莱®)**. In December 2024, we received marketing authorization of tagitanlimab in China from NMPA for the treatment of patients with recurrent or metastatic NPC who have failed after prior 2L+ chemotherapy. In January 2025, we received marketing authorization of tagitanlimab used in combination with cisplatin and gemcitabine for the first-line treatment of patients with recurrent or metastatic NPC in China from NMPA. Tagitanlimab is the first PD-L1 mAb globally to receive authorization for the first-line treatment of NPC.

    Based on a randomized, double-blinded, placebo controlled, multi-center, Phase 3 clinical study which evaluates the efficacy and safety results of tagitanlimab in combination with cisplatin and gemcitabine versus placebo in combination with cisplatin and gemcitabine for the treatment of recurrent or metastatic NPC, as presented at the ASCO Annual Meeting in May 2025, tagitanlimab used in combination with cisplatin and gemcitabine for the first-line treatment of recurrent or metastatic NPC has better PFS, higher ORR and extended DoR compared with chemotherapy, and has benefitted all patients regardless of PD-L1 expression. The median PFS for tagitanlimab in combination with chemotherapy is not reached compared to 7.9 months for placebo in combination with chemotherapy (HR=0.47, 95% CI: 0.33-0.66, p<0.0001), and the risk of disease progression and death is reduced by 53%; ORR is 81.7% vs 74.5%; median DoR is 11.7 vs 5.8 months (HR=0.48, 95% CI: 0.32-0.70), which is nearly double compared to the placebo arm; the beneficial trend for OS of tagitanlimab in combination with chemotherapy has already been observed (HR=0.62, 95% CI: 0.32-1.22), and its risk of death is reduced by 38%.

- **Cetuximab N01 (EGFR mAb, also known as A140) (达泰莱®)**. In February 2025, we received marketing authorization in China from the NMPA for Cetuximab N01 Injection used in combination with FOLFOX or FOLFIRI regimens for first-line treatment of RAS wild-type mCRC. As demonstrated by a large-scale domestic Phase 3 clinical study conducting a head-to-head comparison of Cetuximab N01 Injection with Cetuximab Solution for Injection (Erbitux®), the Cetuximab N01 combination chemotherapy was clinical equivalent in ORR (Cetuximab N01 vs Cetuximab Solution for Injection (Erbitux®): 71.0% vs 77.5%; ORR ratio is 0.93 (95% CI: 0.87, 0.99)), and Cetuximab N01 did not demonstrate any clinically meaningful or statistically significant differences in DoR and PFS compared with Cetuximab Solution for Injection (Erbitux®) (median PFS: 10.9 months vs 10.8 months, HR: 1.03 (95% CI: 0.83, 1.28); median DoR: 10.2 months vs 9.5 months). As for safety, this study has sufficiently proven that the Cetuximab N01 combination chemotherapy is comparable in terms of safety, tolerance and immunogenicity to the Cetuximab Solution for Injection (Erbitux®) combination chemotherapy.

- **A400/EP0031 (RET inhibitor)**. We are currently conducting pivotal clinical studies for 1L & 2L+ advanced RET+ NSCLC as well as a Phase 1b/2 clinical study for RET+ MTC and solid tumor in China. Through our collaboration and license agreement, Ellipses Pharma is progressing their phase 2 clinical study globally outside of China.

  Our results from the Phase 1 study of A400 in patients with advanced RET-mutant MTC were presented at the ASCO Annual Meeting in May 2025. The confirmed ORR was 63.0% and the DCR was 100% for overall population. The confirmed ORR was 56.3% (9/16) and 62.5% (5/8) in patients with prior MKI or treatment naïve, respectively. Median DoR was not reached, with the longest duration still ongoing at 25.8 months. Similarly, median PFS was not reached, with the 24-month PFS rate of 77.8%.

- **SKB378/WIN378 (TSLP mAb).** We completed Phase 1 clinical trial in healthy subjects in China. In January 2025, an IND application for SKB378 for the treatment of COPD was approved by the NMPA. Our collaboration partner, Windward Bio, has launched the Phase 2 POLARIS trial in patients with asthma.

- **SKB336 (FXI/FXIa mAb)**. We completed Phase 1 clinical trial in China.

- **A296 (STING agonist)**. We are carrying out a Phase 1 trial in China.

- **Commercialization.** We have received marketing authorization for sac-TMT (佳泰莱®), tagitanlimab (科泰莱®) and Cetuximab N01 (达泰莱®) and have commenced their commercialization. Based on the expected approval timeline of each late-stage project in our pipeline, subject to regulatory communications and marketing approval, we expect to launch trastuzumab botidotin (舒泰莱®)[6] in the China market and file an NDA for A400 in the second half of 2025.

  The total commercial sales reached RMB309.8 million for the first half of 2025. Among them, the sales of sac-TMT (佳泰莱®) accounted for 97.6%. At the same time, all accounts receivables from sales of pharmaceutical products were collected within the payment period, ensuring efficient and stable cash flow.

Notes:

(6) Trade name to be approved by NMPA.

Currently, our businesses have covered 30 provinces, over 300 prefectures and over 2,000 hospitals, where over 1,000 hospitals generated sales, and reached tens of thousands of healthcare professionals through various types of marketing campaigns to convey product and medical professional information. In addition, we have obtained authoritative endorsement for our products from experts in clinical guidelines, such as "CSCO Diagnosis and Treatment Guidelines for Breast Cancer (2025 edition) (CSCO 乳腺癌診療指南(2025年版))", "CSCO Diagnosis and Treatment Guidelines for Non-Small Cell Lung Cancer (2025 edition) (CSCO非小細胞肺癌診療指南(2025年版))", "CBCS&CSOBO Guidelines for Breast Cancer Diagnosis and Treatment (2025 Concise Edition) (CBCS&CSOBO乳腺癌診治指南與規範(2025年精要本))", "Guidelines for Diagnosis and Treatment of Advanced Breast Cancer in China (2024 edition) (中國晚期乳腺癌規範診療指南(2024版))" and "Chinese Medical Association Clinical Practice Guidelines for Lung Cancer (中華醫學會肺癌臨床診療指南(2025版))", providing further support for the commercialization process.

We have established a fully-fledged marketing team of over 350 people, dedicated to preparing and implementing the marketing and commercialization of our strategic products. Within the marketing team, we have established a departmental structure that includes marketing, sales, medical affairs, strategic planning and commercial excellence as well as marketing compliance functions. The commercialization team will continue to expand to capture more market opportunities in the future as more products and indications are launched and are included in the medical insurance. Currently, among the commercialized products and therapeutic areas, the business team is divided into breast cancer, lung cancer, and other tumors based on indications, and the synergy of the indications of commercialized products are conducive to the implementation of marketing and promotional activities.

In the first half of 2025, our products were promoted through our self-built marketing teams and sold primarily through DTP pharmacies. We have established stable relationships with multiple leading commercial and distribution groups, including 60+ Tier 1 distributors and 400+ DTP pharmacies. A hierarchical management system for pharmacy retail has been adopted and trainings have been provided to around 4,500 pharmacists in the first half of 2025. By organizing nationwide pharmacy trainings, the company has significantly enhanced the professionalism of terminal services and improved the ability to provide patients with medication guidance.

The Company has actively optimized its network strategy. In the first half of 2025, sac-TMT (佳泰莱®), tagitanlimab (科泰莱®) and Cetuximab N01 (达泰莱®) have been included in 29, 25 and 15 provincial networks, respectively, ensuring rapid market access through provincial procurement channels. We have been actively advancing the preparation work for the National Reimbursement Drug List (國家醫保藥品目錄) access of the relevant strategic products, including preparing for the value dossier and application materials of the relevant products. All of our commercialized products, including sac-TMT (佳泰莱®), tagitanlimab (科泰莱®) and Cetuximab N01 (达泰莱®), have passed the preliminary formal examination of National Reimbursement Drug List.

Meanwhile, to further reduce the burden of patients and implement the concept of inclusive healthcare, we have been proactively facilitating the enrollment of sac-TMT (佳泰莱®) in provincial and prefecture city level Inclusive Insurance (惠民保). As at the end of the Reporting Period, sac-TMT (佳泰莱®) has been enrolled in more than 7 provinces and 20 cities.

Globally, we will continue to pursue a flexible strategy to capture the commercial value in major international markets, through forging synergistic license and collaboration opportunities worldwide.

- **Highlights of our License and Collaboration Arrangements.**
  - ***Collaboration with MSD.*** We have entered into license and collaboration agreements with MSD to develop multiple ADC assets for cancer treatment.
    - ***Sac-TMT:*** We have granted MSD an exclusive, royalty-bearing and sub-licensable license to develop, use, manufacture and commercialize sac-TMT outside Greater China. We retain the right to develop and commercialize sac-TMT within Greater China. As at the date of this Interim Report, MSD has initiated 14 ongoing Phase 3 global clinical studies of sac-TMT as a monotherapy or with pembrolizumab or other agents for several types of cancer. The following studies are sponsored and led by MSD:
      - BC.
        - Adjuvant sac-TMT plus pembrolizumab versus TPC in TNBC who received neoadjuvant pembrolizumab plus chemotherapy and did not achieve a pCR at surgery;
        - Sac-TMT as a monotherapy and in combination with pembrolizumab versus TPC in participants with previously untreated locally recurrent unresectable or metastatic TNBC expressing PD-L1 at CPS<10;
        - Sac-TMT as a single agent and in combination with pembrolizumab versus TPC in participants with unresectable locally advanced or metastatic HR+/HER2- BC (after one or more lines of ET);
        - Sac-TMT followed by carboplatin/paclitaxel versus chemotherapy, both in combination with pembrolizumab as neoadjuvant therapy for high-risk, early-stage TNBC or HR-low positive/HER2-negative BC;
      - LC.
        - Adjuvant sac-TMT plus pembrolizumab versus pembrolizumab in adult participants with resectable NSCLC not achieving a pCR after receiving neoadjuvant pembrolizumab with platinum-based doublet chemotherapy followed by surgery;
        - Sac-TMT in combination with pembrolizumab versus pembrolizumab monotherapy in the first-line treatment of participants with metastatic NSCLC expressing PD-L1 greater than or equal to 50 percent;
        - Sac-TMT monotherapy versus standard chemotherapy for the treatment of previously treated advanced or metastatic NSCLC with EGFR mutations or other genomic alterations (after 1 or 2 prior lines of EGFR-TKI and 1 platinum-based therapy after progression on or after EGFR-TKI);

- Sac-TMT versus pemetrexed and carboplatin combination therapy in participants with EGFR-mutated, advanced non-squamous NSCLC who have progressed on prior EGFR-TKI;
- Sac-TMT in combination with pembrolizumab versus pembrolizumab as maintenance treatment in the first-line treatment of metastatic squamous NSCLC after induction treatment with pembrolizumab plus carboplatin and paclitaxel or nab-paclitaxel;

➢ Gynecological cancer.

- Sac-TMT monotherapy versus chemotherapy for the treatment of EC who have received prior platinum-based chemotherapy and immunotherapy;
- Sac-TMT in combination with pembrolizumab versus pembrolizumab alone as treatment in participants with mismatch repair proficient EC;
- Sac-TMT monotherapy versus TPC as second-line treatment for participants with recurrent or metastatic CC;
- Sac-TMT in patients with platinum-sensitive recurrent OC who have received 2L chemotherapy; and

➢ GI cancer. Sac-TMT in 3L+ advanced/metastatic GEA.

We are also collaborating with MSD on several global Phase 2 basket studies for sac-TMT as monotherapy or in combination with other agents for multiple solid tumors and those studies are ongoing.

- ***Other ADC assets:*** In addition to sac-TMT, we are also collaborating with MSD on certain ADC assets including SKB410/MK-3120, SKB571/MK-2750, SKB535/MK-6204, etc. to continuously explore favorable ADC pipeline portfolios. Through our ADC pipelines, we aim to cover a wide range of tumor indications via different targets, to apply differentiated payload-linker strategies for ADC assets with different targets to achieve better efficacy and/or differentiated safety profiles, and, through various strategies, to explore ADCs in combination. We have granted MSD exclusive global licenses to research, develop, manufacture and commercialize multiple ADC assets and exclusive options to obtain additional licenses to certain other ADC assets. We retain the right to research, develop, manufacture and commercialize certain licenses and option ADCs for mainland China, Hong Kong and Macau.

- ***Collaboration with Ellipses Pharma.*** In March 2021, we have entered into a collaboration and license agreement with Ellipses Pharma, under which we granted Ellipses Pharma an exclusive, revenue sharing, royalty-bearing, sublicensable license to develop, manufacture and commercialize A400 (known as EP0031 by Ellipses Pharma). In March 2024, it was announced that A400/EP0031 was granted Fast Track designation by the FDA for the treatment of RET-fusion positive NSCLC. In April 2024, A400/EP0031 was cleared by the FDA to progress into Phase 2 clinical development. As at June 30, 2025, a total of 36 clinical sites in the United States, Europe and UAE were set up for EP0031.

- ***Collaboration with Windward Bio.*** In January 2025, it was announced that we and Harbour BioMed had entered into an exclusive license agreement with Windward Bio, under which we and Harbour BioMed granted Windward Bio an exclusive license for the research, development, manufacturing and commercialization of SKB378/WIN378 globally (excluding Greater China and several Southeast and West Asian countries).

  In return, we and Harbour BioMed are eligible to receive a total of up to US$970 million upfront and milestone payments as well as single to double-digit tiered royalties on net sales of SKB378/WIN378. Subject to the terms and conditions of the license agreement, we and Harbour BioMed are also eligible to receive additional payment from Windward Bio if Windward Bio undergoes a near-term change of control or enters into a sublicense agreement with a third party. The payments to be made by Windward Bio under the license agreement shall be paid in equal amounts to us and Harbour BioMed.

  In May 2025, it was announced that the Company had received an upfront payment from Windward Bio in line with the terms of the license agreement including: (i) a cash payment, which was received in February 2025, and (ii) an equity interest in the parent company of Windward Bio, which was settled in May 2025 upon satisfaction of relevant regulatory approvals in mainland China and other closing conditions.

- **ESG.** We have established a comprehensive three-tier ESG governance structure consisting of the Board of Directors, ESG Working Group and ESG Executive Body. Among them, the Board of Directors serves as the highest responsible and decision-making body for ESG management and information disclosure, guiding and supervising the Company's ESG development. Through the establishment and continuous improvement of the ESG governance structure, the Company comprehensively enhances ESG performance ability and ensures the Company's sustainable development. In May, 2025, the company was awarded "Best ESG" by Extel (formerly Institutional Investor Research) (前稱"機構投資者").

- **Placing of New H Shares.** On June 12, 2025, the placing of 5,918,000 H Shares to not less than six placees at the placing price of HK$331.80 per Share was completed. The net proceeds from the Placing amounted to approximately HK$1,943.0 million.

MANAGEMENT DISCUSSION AND ANALYSIS

I. BUSINESS REVIEW

OVERVIEW

We are a biopharmaceutical company committed to the research and development (R&D), manufacturing and commercialization of novel drugs in oncology, immunology and other therapeutic areas. We have two ADC drugs as our Core Products, namely, sac-TMT and trastuzumab botidotin. Sac-TMT is a novel TROP2 ADC positioned as a monotherapy and part of combination therapies. Trastuzumab botidotin is a differentiated HER2 ADC positioned as a monotherapy to treat advanced HER2+ solid tumors. As at the date of this Interim Report, we were developing more than 30 candidates in our pipeline, including our Core Product, sac-TMT, tagitanlimab and Cetuximab N01, which have received marketing authorization in China from the NMPA. With the recognition of projects with competitive advantages and market value, and the aim to allocate our existing R&D resources to such projects, our pipeline mainly consists of oncology drug candidates as well as drug candidates for non-oncology diseases and conditions such as autoimmune, metabolism and other disease areas.

Supported by three in-house developed technology platforms with proprietary know-how in ADCs and novel DCs, biologics (mAbs and bsAbs) and small molecule drugs and validated by our clinical-stage drug candidates, our pipeline is diverse and synergistic in drug modalities, mechanisms, and indication coverage. Notably, we are one of the first movers in the development of ADCs, with over a decade of accumulated experience in ADC development. We are one of the first biopharmaceutical companies in China, and one of the few globally, to establish an in-house developed ADC and novel DC platform, OptiDC™. Our drug development capabilities are further bolstered by cGMP-compliant, end-to-end manufacturing capabilities and a comprehensive quality management system. Furthermore, we are well-positioned to expand our commercialization infrastructure and market access, leveraging our Controlling Shareholder Kelun Pharmaceutical's decades-long experience, industry connections and extensive network.

The clinical value of our pipeline and our drug development capabilities are recognized by the strategic partnerships we have forged worldwide to unlock the global market potential of key assets. We have entered into license and collaboration agreements with MSD to develop multiple ADC assets for cancer treatment. According to Frost & Sullivan, we are the first China-based company to license internally discovered and developed ADC candidates to a top-ten biopharmaceutical multinational corporation. We have also entered into collaboration and license agreements with other partners, such as Ellipses Pharma and Windward Bio. Our strategic partnerships are not only testaments to our R&D and business development capabilities, but also key drivers of our continued innovation, global influence and long-term growth.

OUR PIPELINE

Our pipeline targets the world's prevalent or hard-to-treat cancers, such as BC, NSCLC, GI cancers (including GC and CRC) and gynecological tumors, as well as non-oncology diseases and conditions affecting a large and underserved population. As at the date of this Interim Report, we had established a pipeline of over 30 candidates, including sac-TMT, tagitanlimab and Cetuximab N01 which have received marketing authorization in China from the NMPA, and over 10 clinical-stage drug candidates. We have also assembled a diverse portfolio of preclinical assets to further enrich our expanding pipeline targeting medical needs.

Our oncology franchise

Our oncology franchise features diversified treatment modalities and targets different mechanisms to comprehensively treat prevalent or hard-to-treat cancers in China and worldwide, anchored by the following clinical-stage assets:

- *ADC and novel DC:*
  - ***Sac-TMT (sacituzumab tirumotecan) (also known as SKB264/MK-2870) (佳泰莱®)***, one of our Core Products, a novel TROP2 ADC with differentiated payload-linker strategy;
  - ***Trastuzumab botidotin (also known as A166) (舒泰莱®)[(1)]***, another Core Product, a differentiated HER2 ADC in NDA registration stage to treat advanced HER2+ solid tumors;
  - ***SKB315***, a novel CLDN18.2 ADC targeting advanced solid tumors;
  - ***SKB410/MK-3120***, a novel Nectin-4 ADC targeting advanced solid tumors;
  - ***SKB571/MK-2750***, a novel bsADC primarily targeting various solid tumors such as LC and CRC etc.;
  - ***SKB518, SKB535/MK-6204 and SKB445***, novel ADC drugs with potential FIC targets;
  - ***SKB500 and SKB501***, novel ADC drugs with verified targets but differentiated payload-linker strategies; and
  - ***SKB107***, a RDC targeting bone metastases in solid tumors.
- *Other modalities (Immunotherapies and Targeted Therapies):*
  - ***Tagitanlimab (also known as A167) (科泰莱®)***, our PD-L1 mAb, the backbone of our immunotherapy franchise;
  - ***Cetuximab N01 (also known as A140) (达泰莱®)***, a recombinant EGFR human-mouse chimeric mAb that can inhibit the growth and survival of EGFR-expressing tumor cells;
  - ***A400***, a novel next-generation selective RET inhibitor for NSCLC, MTC and other solid tumors with a high prevalence of RET alterations; and
  - ***A296***, a novel second-generation small molecule STING agonist with a differentiating molecular design, and is positioned as a combination therapy to be used with our other immunotherapy assets.

Notes:

(1) Trade name to be approved by NMPA.

Sac-TMT (sacituzumab tirumotecan, TROP2 ADC) (also known as SKB264/MK-2870) (佳泰萊®)

Sac-TMT, one of our Core Products, is a novel TROP2 ADC targeting advanced solid tumors in which we have proprietary intellectual property rights. TROP2 is frequently overexpressed across a broad spectrum of cancers, especially in highly prevalent or hard-to-treat cancers such as BC, NSCLC, GI cancer, gynecological cancer and many other solid tumor types. Being the first domestically developed TROP2 ADC in China, sac-TMT utilizes a differentiated drug design to improve ADC stability and maintain ADC bioactivity, thus enhancing its tumor targeting ability and reducing its off-target and on-target off-tumor toxicity, potentially leading to a broader therapeutic window.

Sac-TMT is developed with a novel linker to conjugate the payload, a belotecan-derivative topoisomerase I inhibitor with a DAR of 7.4. Sac-TMT specifically recognizes TROP2 on the surface of tumor cells by recombinant anti-TROP2 humanized monoclonal antibodies, which is then endocytosed by tumor cells and releases KL610023 intracellularly. KL610023, as a topoisomerase I inhibitor, induces DNA damage to tumor cells, which in turn leads to cell-cycle arrest and apoptosis. In addition, it also releases KL610023 in the tumor microenvironment. Given that KL610023 is membrane permeable, it can enable a bystander effect, or in other words kill adjacent tumor cells. The design was to achieve a more effective balance between stability in circulation and targeted-release of the ADC payload in tumor cells.

We are actively advancing a multi-strategy clinical development plan to explore sac-TMT's potential as a monotherapy and combination therapies to treat various types of advanced solid tumors in Greater China. Meanwhile, MSD is advancing the global clinical development of sac-TMT outside of Greater China.

Within Greater China

Based on our retained rights to develop and commercialize sac-TMT and other TROP2 ADCs within Greater China, we have continued to advance our clinical development plan for sac-TMT in Greater China.

TNBC. In November 2024, we received marketing authorization in China from the NMPA for sac-TMT in adult patients with unresectable locally advanced or metastatic TNBC who have received at least two prior systemic therapies (at least one of them for advanced or metastatic setting). Sac-TMT is the first domestically developed ADC with global intellectual property rights to receive complete marketing authorization in China.

Our results from the Phase 3 study of sac-TMT in patients with previously treated locally recurrent or metastatic TNBC were presented at the ASCO Annual Meeting in May 2024. Sac-TMT demonstrated a statistically significant and clinically meaningful improvement in PFS and OS. The median PFS, as assessed by BICR, was 6.7 months (95% CI: 5.5, 8.0) with sac-TMT and 2.5 months (95% CI: 1.7, 2.7) with chemotherapy, and HR was 0.32 (95% CI: 0.24, 0.44, $p<0.00001$), and the risk of disease progression or death was reduced by 68%. The median OS was not reached with sac-TMT (95% CI: 11.2, NE) and 9.4 months with chemotherapy (95% CI: 8.5, 11.7), HR was 0.53 (95% CI: 0.36, 0.78, $p=0.0005$), and the risk of death was reduced by 47%. ORR was 45.4% with sac-TMT compared to 12% with chemotherapy. The subset of patients with high TROP2 expression (H-score>200) had a higher median PFS (8.3 months) and ORR (52.1%) with sac-TMT.

We have initiated a Phase 3 registrational study of sac-TMT monotherapy versus investigator-choice chemotherapy for 1L advanced TNBC.

HR+/HER2- BC. In May 2025, the NDA for sac-TMT for the treatment of adult patients with unresectable locally advanced or metastatic HR+/HER2- BC who have received prior ET and other systemic treatments in the advanced or metastatic setting was accepted by the NMPA, and was included in the priority review and approval process. A Phase 3 registrational study of sac-TMT versus investigator's choice of chemotherapy for treatment of patients with unresectable locally advanced, recurrent or metastatic HR+/HER2- BC who received prior ET is in progress.

EGFR-mutant NSCLC. In March 2025, we received marketing authorization in China from the NMPA for sac-TMT for the treatment of adult patients with EGFR mutant-positive locally advanced or metastatic non-squamous NSCLC following progression on EGFR-TKI therapy and platinum-based chemotherapy. Sac-TMT monotherapy demonstrated a statistically significant and clinically meaningful improvement in ORR, PFS and OS compared with docetaxel. This is the first TROP2 ADC drug approved for marketing in LC globally.

Our results from the pivotal study of sac-TMT in patients with previously treated advanced EGFR-mutant NSCLC were presented at the ASCO Annual Meeting in June 2025. Sac-TMT achieved statistically significant clinical outcomes compared to docetaxel: confirmed ORR (BIRC: 45.1% vs 15.6%, one-sided p=0.0004); PFS (BIRC: median 6.9 vs 2.8 months, HR=0.30, one-sided p<0.0001; INV: median 7.9 vs 2.8 months, HR=0.23); with 36.4% of patients in docetaxel group crossed over to receive sac-TMT, median OS was NR for both groups (HR=0.49, one-sided p=0.007). The median OS analysed by pre-specified RPSFT model adjusted for crossover was 9.3 months for docetaxel and NR for sac-TMT (HR=0.36).

In addition, a Phase 3 registrational study of sac-TMT combined with osimertinib as first-line treatment of locally advanced or metastatic non-squamous EGFR-mutant NSCLC is in progress.

EGFR-wild type NSCLC. Two Phase 3 registrational studies of sac-TMT, namely (i) sac-TMT in combination with pembrolizumab (KEYTRUDA®)[(2)] versus pembrolizumab for first-line treatment of patients with PD-L1 positive locally advanced or metastatic NSCLC, and (ii) sac-TMT in combination with pembrolizumab versus chemotherapy combined with pembrolizumab as first-line treatment for patients with PD-L1 negative locally advanced or metastatic non-squamous NSCLC are in progress.

In June 2025, sac-TMT in combination with tagitanlimab was granted Breakthrough Therapy Designation by the NMPA for the first-line treatment of locally advanced or metastatic non-squamous NSCLC without actionable genomic alterations.

Other indications. We are actively exploring the potential of sac-TMT both as a monotherapy and in combination with other therapies for treating other solid tumors, including GC, EC, CC, OC, UC, CRPC and HNSCC.

Global clinical development

In May 2022, we licensed to MSD the exclusive rights to develop, use, manufacture and commercialize sac-TMT in all territories outside of Greater China (which includes Mainland China, Hong Kong, Macao, and Taiwan). As at the date of this Interim Report, MSD is progressing 14 ongoing Phase 3 global, multi-center clinical studies for sac-TMT for several types of cancer including BC, LC, gynecological cancer and GI cancer. We are also collaborating with MSD on several global Phase 2 basket studies for sac-TMT as monotherapy or in combination with other agents for multiple solid tumors and those studies are ongoing.

Notes:

(2) Pembrolizumab (KEYTRUDA®) is a registered trademark of Merck Sharp & Dohme LLC, a subsidiary of Merck & Co., Inc., Rahway, NJ, USA.

Clinical data readout

We presented clinical data on studies of sac-TMT at various academic conferences and published in journals, such as:

- *2025 ASCO GU Cancers Symposium.*
    - Efficacy and safety results from the Phase 1/2 KL264-01/MK-2870-001 study (NCT04152499) of sac-TMT monotherapy in patients with unresectable, locally advanced or metastatic UC who progressed on or after prior anti-cancer therapies;
- *2025 ASCO Annual Meeting.*
    - Sac-TMT in patients with previously treated advanced EGFR-mutated NSCLC: Results from the randomized OptiTROP-Lung03 study;
    - Sac-TMT as first-line treatment for unresectable locally advanced/metastatic TNBC: Initial results from the Phase 2 OptiTROP-Breast05 study;
    - Sac-TMT in combination with tagitanlimab (anti-PD-L1) in first-line advanced NSCLC: Non-squamous cohort from the Phase 2 OptiTROP-Lung01 study;
    - Sac-TMT in patients with previously treated locally advanced or metastatic NSCLC harboring uncommon EGFR mutations: Preliminary results from a Phase 2 Study;
- *The British Medical Journal.*
    - Sac-TMT versus docetaxel for previously treated EGFR-mutated advanced NSCLC: multicentre, open label, randomised controlled trial (OptiTROP-Lung03);
- *Nature Medicine.*
    - Sac-TMT in previously treated metastatic TNBC: a randomized Phase 3 trial (OptiTROP-Breast01);
    - Sac-TMT in advanced NSCLC with or without EGFR mutations: Phase 1/2 and Phase 2 trials; and
- *Journal of Hematology& Oncology.*
    - Results of a phase 1/2 study of sac-TMT in patients with unresectable locally advanced or metastatic solid tumors refractory to standard therapies.

In addition, we will present results from a few clinical studies of sac-TMT at 2025 ESMO Congress to be held in Berlin, Germany from October 17 to 21, 2025, local time.

SACITUZUMAB TIRUMOTECAN (SAC-TMT) FOR THE TREATMENT OF OTHER INDICATIONS NOT YET APPROVED MAY NOT ULTIMATELY BE SUCCESSFULLY DEVELOPED AND COMMERCIALIZED.

Trastuzumab Botidotin (HER2 ADC, also known as A166) (舒泰莱®)[(3)]

Trastuzumab botidotin, another of our Core Products, is a differentiated HER2 ADC in NDA registration stage to treat advanced HER2+ solid tumors. It is positioned to target multiple cancer indications with high prevalence and medical needs, including BC, with the potential to be one of the first domestically developed ADCs for HER2+ BC in China.

Trastuzumab botidotin is an innovative HER2 ADC developed by the Company, which conjugates a novel, monomethyl auristatin F (MMAF) derivative (a highly cytotoxic tubulin inhibitor, Duo-5) via a stable, enzyme-cleavable linker to a HER2 monoclonal antibody with a DAR of 2. Trastuzumab botidotin specifically binds to HER2 on the surface of tumor cells and is internalized by tumor cells, releasing the toxin molecule Duo-5 inside the cell. Duo-5 induces tumor cell cycle arrest in the G2/M Phase, leading to tumor cell apoptosis. After targeting HER2, trastuzumab botidotin can also inhibit the HER2 signaling pathway; it has ADCC activity.

Trastuzumab botidotin has met the primary endpoints of its pivotal Phase 2 trial for 3L+ advanced HER2+ BC based on results from the primary analysis, which we used to submit an NDA to the NMPA. In January 2025, an NDA for the treatment of adult patients with HER2+ unresectable or metastatic BC who have received at least one prior anti-HER2 therapy was accepted by the CDE of the NMPA. At a pre-specified interim analysis, trastuzumab botidotin monotherapy demonstrated a statistically significant and clinically meaningful improvement in the primary endpoint of PFS as assessed by the BICR compared with T-DM1. We have also initiated an open, multi-center Phase 2 clinical study of trastuzumab botidotin in the treatment of HER2+ unresectable or metastatic BC that previously received a topoisomerase inhibitor ADC.

TRASTUZUMAB BOTIDOTIN MAY NOT ULTIMATELY BE SUCCESSFULLY DEVELOPED AND COMMERCIALIZED.

SKB315 (CLDN18.2 ADC)

SKB315 is configured with a proprietary, in-house developed humanized CLDN18.2 mAb and a differentiated payload-linker design. The early-stage clinical data of SKB315 demonstrates promising efficacy and acceptable safety profile in GC with mid and high CLDN18.2 expression. We are conducting a Phase 1b clinical trial of SKB315 and have initiated the exploration in combination with immunotherapy for the treatment of GC/GEJC. Results of a Phase 1 study of SKB315 will be presented at 2025 ESMO Congress in October 2025.

SKB410/MK-3120 (Nectin-4 ADC)

SKB410 is a novel Nectin-4 ADC targeting advanced solid tumors and utilizing a differentiated payload-linker strategy. SKB410 has shown promising Phase 1 clinical data. MSD, as the sponsor, has launched the global Phase 1/2 clinical trial of SKB410/MK-3120.

Notes:

(3) Trade name to be approved by NMPA.

SKB571/MK-2750

SKB571 is a novel bsADC that primarily targets various solid tumors such as LC and CRC etc. being developed in collaboration with MSD. The Phase 2 clinical trial in China is to be initiated.

SKB518, SKB535/MK-6204 and SKB445

SKB518, SKB535 and SKB445 are novel ADC drugs with potential FIC targets. The Phase 2 clinical trial for SKB518 and the Phase 1 clinical trials for SKB535 and SKB445 are ongoing in China. The Company has entered into a license and collaboration agreement with MSD to develop SKB535.

SKB500 and SKB501

SKB500 and SKB501 are novel ADC drugs with verified targets but differentiated payload-linker strategies. In November and December 2024, we received a clinical trial notice approving the IND application of SKB501 and SKB500, respectively, for advanced solid tumors from the NMPA.

SKB107

SKB107 is a RDC drug jointly developed by us and the Affiliated Hospital of Southwest Medical University (西南醫科大學附屬醫院) targeting bone metastases in solid tumors. In March 2025, an IND application for SKB107 was approved by the NMPA and the Phase 1 study is ongoing.

SKB315, SKB410/MK-3120, SKB571/MK-2750, SKB518, SKB535/MK-6204, SKB445, SKB500, SKB501 AND SKB107 MAY NOT ULTIMATELY BE SUCCESSFULLY DEVELOPED AND COMMERCIALIZED.

Tagitanlimab (PD-L1 mAb, also known as A167) (科泰萊®)

Tagitanlimab is a humanized mAb that targets PD-L1, an important immune checkpoint protein. Targeting PD-L1 and its receptor PD-1 have become the cornerstone of cancer immunotherapy, with PD-(L)1 mAbs now widely recognised as a front-line cancer immunotherapy agent. To further elicit the anti-tumor activity of PD-(L)1 mAbs, the market has witnessed encouraging clinical development advancement of PD-(L)1 mAbs-based combination strategies in recent years, with an aim to achieve synergistic efficacies, boost response rates, overcome heterogeneity across patients, and relieve treatment resistance.

We have developed tagitanlimab as the backbone of our immunotherapy franchise, not only as a monotherapy but, more importantly, to be used in combination with our ADCs and other oncology assets.

In December 2024, we received marketing authorization in China from NMPA for tagitanlimab for the treatment of patients with recurrent or metastatic NPC who have failed after prior 2L+ chemotherapy. In January 2025, we received marketing authorization of tagitanlimab used in combination with cisplatin and gemcitabine for the first-line treatment of patients with recurrent or metastatic NPC in China from NMPA. Tagitanlimab is the first PD-L1 mAb globally to receive authorization for the first-line treatment of NPC. Moreover, we are actively exploring tagitanlimab's potential as an early-line treatment in combination with our ADC assets to maximize the clinical value of our oncology franchise.

Based on a randomized, double-blinded, placebo controlled, multi-center, Phase 3 clinical study which evaluates the efficacy and safety results of tagitanlimab in combination with cisplatin and gemcitabine versus placebo in combination with cisplatin and gemcitabine for the treatment of recurrent or metastatic NPC, as presented at the ASCO Annual Meeting in May 2025, tagitanlimab used in combination with cisplatin and gemcitabine for the first-line treatment of recurrent or metastatic NPC has better PFS, higher ORR and extended DoR compared with chemotherapy, and has benefitted all patients regardless of PD-L1 expression. The median PFS for tagitanlimab in combination with chemotherapy is not reached compared to 7.9 months for placebo in combination with chemotherapy (HR=0.47, 95% CI: 0.33-0.66, p<0.0001), and the risk of disease progression and death is reduced by 53%; ORR is 81.7% vs 74.5%; median DoR is 11.7 vs 5.8 months (HR=0.48, 95% CI: 0.32-0.70), which is nearly double compared to the placebo arm; the beneficial trend for OS of tagitanlimab in combination with chemotherapy has already been observed (HR=0.62, 95% CI: 0.32-1.22), and its risk of death is reduced by 38%.

TAGITANLIMAB FOR THE TREATMENT OF OTHER INDICATIONS NOT YET APPROVED MAY NOT ULTIMATELY BE SUCCESSFULLY DEVELOPED AND COMMERCIALIZED.

Cetuximab N01 (EGFR mAb, also known as A140) (达泰莱®)

Cetuximab N01 is a recombinant anti-EGFR human-mouse chimeric mAb that can inhibit the growth and survival of EGFR-expressing tumor cells.

In February 2025, we received marketing authorization in China from the NMPA for Cetuximab N01 Injection used in combination with FOLFOX or FOLFIRI regimens for first-line treatment of RAS wild-type mCRC.

As demonstrated by a large-scale domestic Phase 3 clinical study conducting a head-to-head comparison of Cetuximab N01 Injection with Cetuximab Solution for Injection (Erbitux®), the Cetuximab N01 combination chemotherapy was clinical equivalent in ORR (Cetuximab N01 vs Cetuximab Solution for Injection (Erbitux®): 71.0% vs 77.5%; ORR ratio is 0.93 (95% CI: 0.87, 0.99)), and Cetuximab N01 did not demonstrate any clinically meaningful or statistically significant differences in DoR and PFS compared with Cetuximab Solution for Injection (Erbitux®) (median PFS: 10.9 months vs 10.8 months, HR: 1.03 (95% CI: 0.83, 1.28); median DoR: 10.2 months vs 9.5 months). As for safety, this study has sufficiently proven that the Cetuximab N01 combination chemotherapy is comparable in terms of safety, tolerance and immunogenicity to the Cetuximab Solution for Injection (Erbitux®) combination chemotherapy.

CETUXIMAB N01 FOR THE TREATMENT OF OTHER INDICATIONS NOT YET APPROVED MAY NOT ULTIMATELY BE SUCCESSFULLY DEVELOPED AND COMMERCIALIZED.

A400/EP0031 (RET inhibitor)

A400, a next-generation selective RET inhibitor, is positioned to be the first domestically developed next-generation selective RET inhibitor for treating RET+ solid tumors in China.

RET alterations have been reported to be a major oncogenic driver in about 2% of all cancers, most notably in NSCLC and MTC, the first two indications that A400 is designed to target. Although two first-generation selective RET inhibitors were approved in China for RET+ solid tumors as at December 31, 2024, their therapeutic benefits are limited, in part, by acquired RET drug-resistant mutations and safety issues such as hypertension and hematological toxicity, underscoring the need for novel selective RET inhibitors with improved safety and better efficacy against drug resistant mutations. A400 is designed with a novel proprietary molecular structure to address selective RET inhibitor resistance while maintaining target selectivity, efficacy and safety with reduced manufacturing cost and difficulty.

Through our collaboration and license agreement, Ellipses Pharma is progressing their Phase 2 clinical study globally outside of China.

Within Greater China

We are currently conducting pivotal clinical study for both 1L and 2L+ advanced RET+ NSCLC as well as a Phase 1b/2 clinical study for RET+ MTC and solid tumor. We expect to file an NDA for A400 in 2025.

Our results from the Phase 1 study of A400 in patients with advanced RET-mutant MTC were presented at the ASCO Annual Meeting in May 2025. The confirmed ORR was 63.0% and the DCR was 100% for overall population. The confirmed ORR was 56.3% (9/16) and 62.5% (5/8) in patients with prior MKI or treatment naïve, respectively. Median DoR was not reached, with the longest duration still ongoing at 25.8 months. Similarly, median PFS was not reached, with the 24-month PFS rate of 77.8%.

Global collaboration with Ellipses Pharma

In March 2021, we granted Ellipses Pharma, a U.K.-based international oncology drug development company, an exclusive license to develop, manufacture and commercialize A400 outside Greater China and certain Asian countries.

In March 2024, it was announced that A400/EP0031 was granted Fast Track designation by the FDA for the treatment of RET-fusion positive NSCLC. In April 2024, A400/EP0031 was cleared by the FDA to progress into Phase 2 clinical development.

A400 MAY NOT ULTIMATELY BE SUCCESSFULLY DEVELOPED AND COMMERCIALIZED.

A296 (STING agonist)

A296 is a novel second-generation small molecule STING agonist with a differentiating molecular design. It has the potential to invigorate anti-tumor immunity in "cold" tumors that are unresponsive to existing immune checkpoint inhibitors and is positioned as a combination therapy to be used with our other immunotherapy assets. The Phase 1 trial is making steady progress.

A296 MAY NOT ULTIMATELY BE SUCCESSFULLY DEVELOPED AND COMMERCIALIZED.

Our non-oncology franchise

Our non-oncology franchise covers a range of diseases and conditions with large patient populations and medical needs, with a primary focus on immune-mediated diseases, including moderate-to-severe asthma and thromboembolic disorders.

SKB378 (TSLP mAb)

SKB378 is potentially one of the first domestically developed anti-TSLP mAbs in China for treating patients with moderate-to-severe asthma. SKB378 is a novel, recombinant fully human mAb that potently binds to the TSLP ligand and inhibits the TSLP mediated signaling pathway by blocking the interaction between TSLP and TSLP receptor. This is a well-validated cytokine that plays a key role in the development and progression of a wide array of immunological conditions, including asthma and COPD where inhibition has demonstrated benefit in a wide array of inflammatory phenotypes. SKB378 has been engineered to achieve an extended half-life and effector silencing and is subcutaneously administered.

Within Greater China

We received IND approval for moderate-to-severe asthma from the NMPA in February 2022, and we have completed Phase 1 clinical trial in healthy subjects in China. In January 2025, an IND application for SKB378 for the treatment of COPD was approved by the NMPA.

Global collaboration with Windward Bio

In January 2025, it was announced that we and Harbour BioMed had entered into an exclusive license agreement with Windward Bio, under which we and Harbour BioMed granted Windward Bio an exclusive license for the research, development, manufacturing and commercialization of SKB378/WIN378 globally (excluding Greater China and several Southeast and West Asian countries). SKB378/WIN378 started as a co-development project jointly conducted by the Company and Harbour BioMed (also known as HBM9378), with both parties equally sharing global rights. Windward Bio has launched the Phase 2 POLARIS trial in patients with asthma.

SKB378 MAY NOT ULTIMATELY BE SUCCESSFULLY DEVELOPED AND COMMERCIALIZED.

SKB336 (FXI/FXIa mAb)

SKB336 is a novel FXI/FXIa mAb designed as an anticoagulant for preventing and treating thromboembolic disorders. Thromboembolic disorders are prevalent and potentially fatal conditions in which abnormally formed blood clots block blood vessels. The current mainstay anticoagulant therapies put patients at increased risks of severe and potentially life-threatening bleeding complications as their targets are also required for normal coagulation, leaving a need for novel effective anticoagulation agents with limited risk of bleeding. In published preclinical studies, FXI/FXIa deficiencies led to clot instability and prevented the occlusion of blood vessels, suggesting that targeting FXI/FXIa is potentially a safe and effective strategy for preventing and treating thromboembolic disorders.

We received IND approval from the NMPA in July 2021 for preventing and treating thromboembolic disorders. We have completed Phase 1 trial in China.

SKB336 MAY NOT ULTIMATELY BE SUCCESSFULLY DEVELOPED AND COMMERCIALIZED.

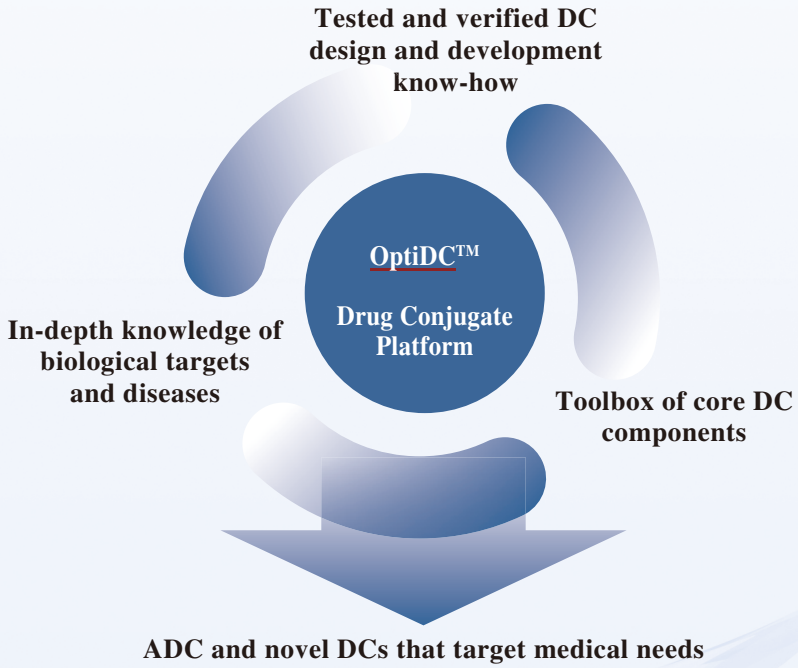
Apart from the above, we will continue to develop novel non-oncology drug candidates to address highly prevalent chronic diseases currently without effective treatments, including autoimmune and metabolic diseases.

OUR TECHNOLOGY PLATFORMS

We have established three core platforms specializing in ADCs and novel DCs, biologics and small molecule technologies that serve as the foundation of our discovery and development of innovative medicines for medical needs in selected disease areas, such as oncology, autoimmune diseases and metabolic diseases. These platforms cover the entire R&D process for different drug modalities and work in tandem to allow cross-functional synergies at crucial stages of drug development.

- ***ADC and novel DC Platform***. We are one of the first movers in the development of ADCs, with over a decade of accumulated experience in ADC development. According to Frost & Sullivan, we are one of the first biopharmaceutical companies in China, and one of the few globally, to establish an in-house developed ADC and novel DC platform, which supports our systematic development of ADCs and novel DCs across their entire lifecycle. Our ADC and novel DC platform, OptiDC™, is supported by three capability pillars – in-depth knowledge of biological targets and diseases, tested and verified DC design and development know-how, and a toolbox of core DC components. Through over a decade of development, we have developed a toolbox of core DC components which gives us the versatility to engineer customized ADCs and novel DCs optimized for different biological targets to address medical needs in a broad range of indications. We have honed our expertise in ADC and novel DC process development, manufacturing and quality management, which we believe is crucial in bringing our ADCs and novel DCs from bench to bedside. Notably, our ADC and novel DC platform is tested and verified through preclinical studies and clinical trials with thousands of patients enrolled.

  By leveraging our experience and data from drug discovery, translational medicine, process development and clinical studies over years of implementing our DC design strategies, we deploy a multi-pronged strategy to advance our ADC and novel DC platform. For oncology diseases, we are developing ADCs and novel DCs as a replacement for chemo-based cancer therapies, by (i) developing ADCs targeting novel targets with monoclonal, biparatopic and bispecific antibodies; (ii) expanding cytotoxic agents beyond common topoisomerase and tubulin inhibitors, and (iii) optimizing our conjugation technologies to enable precise control of the positioning and number of conjugated payloads including dual payloads. We are also developing novel DCs to replace non-chemo-based cancer therapies by developing ADC derivatives with innovative compound structure and diversified payloads other than cytotoxins such as RDCs, iADCs and DACs, etc. Beyond oncology diseases, we are developing ADCs with non-cytotoxic payloads for other disease indications such as autoimmune disease.



- ***Biologics Platform***. Our extensive biologics platform enables the creation and refinement of cutting-edge mAb/bsAb medicines across the entire drug development lifecycle – from target biology to clinical-grade biologics. By integrating advanced technologies and workflows, including single B cell screening, next-generation sequencing, and high-throughput screening and analysis, the platform accelerates the generation of innovative antibodies with desired properties. Leveraging AI-powered epitope prediction, physiochemical profiling, and precision antibody engineering, we guide the antibody discovery toward specific epitopes with enhanced therapeutic potential. This approach addresses challenges associated with complex targets, improves druggability, and ensures optimal functional characteristics. Antibody discovery platforms drive the development of mAbs/bsAbs and ADCs and novel DCs for treating cancer, autoimmune diseases and metabolic diseases, and possess end-to-end antibody development capabilities ranging from antibody discovery and optimization to bioprocessing and scale-up manufacturing.

- ***Small Molecule Platform***. Our small molecule platform is driven by the integration of medicinal chemistry, CADD (computer-aided drug design) and AIDD technologies, such as molecular docking, pharmacophore modeling, FEP (free energy perturbation) calculations, ADMET (absorption, distribution, metabolism, elimination and toxicity) prediction, and de novo molecule generation. These capabilities enable us to be highly efficient in compound optimization in early-stage research, which help rationalize and accelerate our preclinical drug discovery. We are also exploring state-of-the-art technologies such as PROTAC to navigate challenging protein targets.

RESEARCH AND DEVELOPMENT

Our in-house R&D capabilities, built on three technology platforms, give us control and visibility over our R&D process, reduce our reliance on CROs and enable us to ensure the quality and efficiency of our drug development programs.

Our R&D team comprises industry veterans with extensive experience of driving drug development programs at leading biopharmaceutical companies. We have a comprehensive in-house R&D engine covering drug discovery, translational medicine, process development and clinical research.

- ***Drug Discovery***. Our drug discovery team plays a fundamental role in our development of innovative drugs to address medical needs. Our discovery team comprises medicinal chemists, computational chemists, protein scientists, biologists, immunologists and is led by experts with years of experience working at multinational corporations. Through bringing over 10 drug candidates into clinical development, we have accumulated in-depth know-how and streamlined our drug discovery workflows for ADCs and novel DCs, biologics and small molecules. Our research platform supports in-house capabilities covering target validation, mechanism study, candidate design and selection (including computer-aided approaches), with a goal to consistently design and engineer differentiated drug candidates with high clinical values to enrich our pipeline.

- ***Translational Medicine***. Our translational medicine scientists work closely to facilitate the bridging of our drug discovery and preclinical studies with clinical needs, with an aim to bring differentiated drug candidates to market. Their interdisciplinary research encompasses a wide range of studies from AI, pharmacology, drug metabolism and pharmacokinetics, toxicology to biomarker development. Our translational medicine team plays a key role in improving the success rates, time-efficiency and cost-effectiveness of our clinical trials.

- ***Process Development***. Our process development team is responsible for developing a quality, scalable, and robust process for our ADC and novel DC, antibody and small molecule drugs. They have extensive experience in process optimization and scale-up, analytical method development and validation, quality criteria establishment, and technology transfer for clinical and commercial manufacturing. We are guided by a quality-by-design concept to scientifically design process performance characteristics, which underlies our consistent, high quality manufacturing of drug products.

- ***Clinical Research***. We have a robust clinical research team located across our four clinical centers in Beijing, Shanghai, Chengdu and the U.S. Our clinical scientists are highly experienced at formulating clinical development plans, selecting indications, and determining regulatory pathways. Their rich experience in regulatory communication, both in China and overseas, also plays a key role in advancing our clinical development plans towards successful commercialization.

We have introduced AI into several R&D processes to further improve R&D efficiency. For instance, AI-assisted sequence prediction and binding site prediction of antibodies have been realized, while AIDD technology is one of the drivers of our small molecule platform. For translational medicine, through the use of commercial AI databases, the gene pathway analysis and toxicity mechanism prediction of innovative targets have been optimized, and the risk control methods of innovative R&D have been improved.

OUR LICENSE AND COLLABORATION ARRANGEMENTS

While we are primarily engaged in in-house drug development, we also believe that an open and collaborative mindset is crucial to the success of our global strategy. Along each step of our drug development plans – from drug discovery to commercialization – we proactively pursue external collaborations, licensing arrangements and other strategic partnerships to create synergies with our pipeline and technology platforms.

Set forth below is a summary of our key license and collaboration agreements:

- ***Collaboration with MSD***. We have entered into license and collaboration agreements with MSD to develop multiple ADC assets for cancer treatment.

    - ***Sac-TMT:*** We have granted MSD an exclusive, royalty-bearing and sub-licensable license to develop, use, manufacture and commercialize sac-TMT outside Greater China. We retain the right to develop and commercialize sac-TMT within Greater China. As at the date of this Interim Report, MSD has initiated 14 ongoing Phase 3 global clinical studies of sac-TMT as a monotherapy or with pembrolizumab or other agents for several types of cancer. The following studies are sponsored and led by MSD:

        - BC.

            - Adjuvant sac-TMT plus pembrolizumab versus TPC in TNBC who received neoadjuvant pembrolizumab plus chemotherapy and did not achieve a pCR at surgery;

            - Sac-TMT as a monotherapy and in combination with pembrolizumab versus TPC in participants with previously untreated locally recurrent unresectable or metastatic TNBC expressing PD-L1 at CPS<10;

- Sac-TMT as a single agent and in combination with pembrolizumab versus TPC in participants with unresectable locally advanced or metastatic HR+/HER2- BC (after one or more lines of ET);

- Sac-TMT followed by carboplatin/paclitaxel versus chemotherapy, both in combination with pembrolizumab as neoadjuvant therapy for high-risk, early-stage TNBC or HR-low positive/HER2-negative BC;

➢ LC.

- Adjuvant sac-TMT plus pembrolizumab versus pembrolizumab in adult participants with resectable NSCLC not achieving a pCR after receiving neoadjuvant pembrolizumab with platinum-based doublet chemotherapy followed by surgery;

- Sac-TMT in combination with pembrolizumab versus pembrolizumab monotherapy in the first-line treatment of participants with metastatic NSCLC expressing PD-L1 greater than or equal to 50 percent;

- Sac-TMT monotherapy versus standard chemotherapy for the treatment of previously treated advanced or metastatic NSCLC with EGFR mutations or other genomic alterations (after 1 or 2 prior lines of EGFR-TKI and 1 platinum-based therapy after progression on or after EGFR-TKI);

- Sac-TMT versus pemetrexed and carboplatin combination therapy in participants with EGFR-mutated, advanced non-squamous NSCLC who have progressed on prior EGFR-TKI;

- Sac-TMT in combination with pembrolizumab versus pembrolizumab as maintenance treatment in the first-line treatment of metastatic squamous NSCLC after induction treatment with pembrolizumab plus carboplatin and paclitaxel or nab-paclitaxel;

➢ Gynecological cancer.

- Sac-TMT monotherapy versus chemotherapy for the treatment of EC who have received prior platinum-based chemotherapy and immunotherapy;

- Sac-TMT in combination with pembrolizumab versus pembrolizumab alone as treatment in participants with mismatch repair proficient EC;

- Sac-TMT monotherapy versus TPC as second-line treatment for participants with recurrent or metastatic CC;

- Sac-TMT in patients with platinum-sensitive recurrent OC who have received 2L chemotherapy; and

➢ GI cancer. Sac-TMT in 3L+ advanced/metastatic GEA.

We are also collaborating with MSD on several global Phase 2 basket studies for sac-TMT as monotherapy or in combination with other agents for multiple solid tumors and those studies are ongoing.

o ***Other ADC assets:*** In addition to sac-TMT, we are also collaborating with MSD on certain ADC assets including SKB410/MK-3120, SKB571/MK-2750, SKB535/MK-6204, etc. to continuously explore favorable ADC pipeline portfolios. Through our ADC pipelines, we aim to cover a wide range of tumor indications via different targets, to apply differentiated payload-linker strategies for ADC assets with different targets to achieve better efficacy and/or differentiated safety profiles, and through various strategies, to explore ADCs in combination. We have granted MSD exclusive global licenses to research, develop, manufacture and commercialize multiple ADC assets and exclusive options to obtain additional licenses to certain other ADC assets. We retain the right to research, develop, manufacture and commercialize certain licenses and option ADCs for mainland China, Hong Kong and Macau.

- ***Collaboration with Ellipses Pharma***. In March 2021, we entered into a collaboration and license agreement with Ellipses Pharma, under which we granted Ellipses Pharma an exclusive, revenue sharing, royalty-bearing, sub-licensable license to develop, manufacture and commercialize A400. A400 is known as EP0031 by Ellipses Pharma. The license includes all countries excluding Greater China, North Korea, South Korea, Singapore, Malaysia and Thailand.

  In March 2024, it was announced that A400/EP0031 was granted Fast Track designation by the FDA for the treatment of RET-fusion positive NSCLC. In April 2024, A400 was cleared by the FDA to progress into Phase 2 clinical development. As at June 30, 2025, a total of 36 clinical sites in the United States, Europe and UAE were set up for EP0031.

- ***Collaboration with Windward Bio***. In January 2025, it was announced that we and Harbour BioMed had entered into an exclusive license agreement with Windward Bio, under which we and Harbour BioMed granted Windward Bio an exclusive license for the research, development, manufacturing and commercialization of SKB378/WIN378[(4)] globally (excluding Greater China and several Southeast and West Asian countries).

  In return, we and Harbour BioMed are eligible to receive a total of up to US$970 million upfront and milestone payments as well as single to double-digit tiered royalties on net sales of SKB378/WIN378. The US$45 million upfront and near-term payments include both cash consideration and equity in the parent company of Windward Bio. Subject to the terms and conditions of the license agreement, we and Harbour BioMed are also eligible to receive additional payment from Windward Bio if Windward Bio undergoes a near-term change of control or enters into a sublicense agreement with a third party. The payments to be made by Windward Bio under the license agreement shall be paid in equal amounts to us and Harbour BioMed.

Notes:

(4) SKB378 is known as HBM9378 in Harbour BioMed's pipeline and WIN378 in Windward Bio's pipeline.

In May 2025, it was announced that the Company had received an upfront payment from Windward Bio in line with the terms of the license agreement including: (i) a cash payment, which was received in February 2025, and (ii) an equity interest in the parent company of Windward Bio, which was settled in May 2025 upon satisfaction of relevant regulatory approvals in mainland China and other closing conditions.

MANUFACTURING AND QUALITY MANAGEMENT

We believe a well-established manufacturing and quality management system serves as the cornerstone of our commercialization and underlies our ability to enhance our R&D capabilities and advance clinical development. Our manufacturing and quality management system is capable of supporting the production of antibodies, ADCs and their key drug substances and chemical pharmaceuticals (including radioactive pharmaceuticals). This system helps ensure the consistent, stable, and controllable quality of our clinical and commercialized products.

- ***Manufacturing***. Our main manufacturing site in Chengdu is one of the few facilities in China with cGMP-compliant, end-to-end capabilities covering the entire development lifecycle of ADCs, from cell culture and purification, for antibody production, syntheses of payloads and linkers, ADC conjugation to formulation, fill and finish. Our ADC manufacturing facilities have an annual production capacity of 50 batches (or 1.4 million vials) of freeze-dried ADCs or 100 batches (or 2 million vials) of injectable ADCs. Our antibody manufacturing facilities have an annual production capacity of 60 batches (or 750,000 vials) of freeze-dried formulation or 100 batches (or 2.6 million vials) of injectable solutions.

- ***Quality Management***. We continuously promote the improvement of a comprehensive quality management system throughout the entire product lifecycle to ensure compliance with cGMP standards and regulatory developments in China, the United States, and Europe. The Company prioritizes quality, strengthens the segmented contract manufacturing management system for biological products, and achieves collaborative operations across multiple production sites and enterprises by dividing the production process into multiple stages. Through "standardized division of labor and refined management", we enhance quality control, drive regulatory innovation, prioritize patients' benefits, and improve supply chain security and drug accessibility. On June 26, 2025, our innovative ADC biological product, trastuzumab botidotin (舒泰莱®)[5], received official approval from the NMPA to carry out the cross-provincial segmented production pilot program.

COMMERCIALIZATION

We have received marketing authorization for sac-TMT (佳泰莱®), tagitanlimab (科泰莱®) and Cetuximab N01 (达泰莱®) and have commenced their commercialization. Based on the expected approval timeline of each late-stage project in our pipeline, subject to regulatory communications and marketing approval, we expect to launch trastuzumab botidotin (舒泰莱®)[5] in the China market and file an NDA for A400 in the second half of 2025.

The total commercial sales reached RMB309.8 million for the first half of 2025. Among them, the sales of sac-TMT (佳泰莱®) accounted for 97.6%. At the same time, all accounts receivables from sales of pharmaceutical products were collected within the payment period, ensuring efficient and stable cash flow.

Notes:

(5) Trade name to be approved by NMPA.

Currently, our businesses have covered 30 provinces, over 300 prefectures and over 2,000 hospitals, where over 1,000 hospitals generated sales, and reached tens of thousands of healthcare professionals through various types of marketing campaigns to convey product and medical professional information. In addition, we have obtained authoritative endorsement for our products from experts in clinical guidelines, such as "CSCO Diagnosis and Treatment Guidelines for Breast Cancer (2025 edition) (CSCO乳腺癌診療指南(2025年版))", "CSCO Diagnosis and Treatment Guidelines for Non-Small Cell Lung Cancer (2025 edition) (CSCO非小細胞肺癌診療指南(2025年版))", "CBCS&CSOBO Guidelines for Breast Cancer Diagnosis and Treatment (2025 Concise Edition) (CBCS&CSOBO乳腺癌診治指南與規範(2025年精要本))", "Guidelines for Diagnosis and Treatment of Advanced Breast Cancer in China (2024 edition) (中國晚期乳腺癌規範診療指南(2024版))" and "Chinese Medical Association Clinical Practice Guidelines for Lung Cancer (中華醫學會肺癌臨床診療指南(2025版))", providing further support for the commercialization process.

We have established a fully-fledged marketing team of over 350 people, dedicated to preparing and implementing the marketing and commercialization of our strategic products. Within the marketing team, we have established a departmental structure that includes marketing, sales, medical affairs, strategic planning and commercial excellence as well as marketing compliance functions. The commercialization team will continue to expand to capture more market opportunities in the future as more products and indications are launched and are included in the medical insurance. Currently, among the commercialized products and therapeutic areas, the business team is divided into breast cancer, lung cancer, and other tumors based on indications, and the synergy of the indications of commercialized products are conducive to the implementation of marketing and promotional activities.

In the first half of 2025, our products were promoted through our self-built marketing teams and sold primarily through DTP pharmacies. We have established stable relationships with multiple leading commercial and distribution groups, including 60+ Tier 1 distributors and 400+ DTP pharmacies. A hierarchical management system for pharmacy retail has been adopted and trainings have been provided to around 4,500 pharmacists in the first half of 2025. By organizing nationwide pharmacy trainings, the company has significantly enhanced the professionalism of terminal services and improved the ability to provide patients with medication guidance.

The Company has actively optimized its network strategy. In the first half of 2025, sac-TMT (佳泰莱®), tagitanlimab (科泰莱®) and Cetuximab N01 (达泰莱®) have been included in 29, 25 and 15 provincial networks, respectively, ensuring rapid market access through provincial procurement channels. We have been actively advancing the preparation work for the National Reimbursement Drug List (國家醫保藥品目錄) access of the relevant strategic products, including preparing for the value dossier and application materials of the relevant products. All of our commercialized products, including sac-TMT (佳泰莱®), tagitanlimab (科泰莱®) and Cetuximab N01 (达泰莱®), have passed the preliminary formal examination of National Reimbursement Drug List.

Meanwhile, to further reduce the burden of patients and implement the concept of inclusive healthcare, we have been proactively facilitating the enrollment of sac-TMT (佳泰莱®) in provincial and prefecture city level Inclusive Insurance (惠民保). As at the end of the Reporting Period, sac-TMT (佳泰莱®) has been enrolled in more than 7 provinces and 20 cities.

Globally, we will continue to pursue a flexible strategy to capture the commercial value in major international markets, through forging synergistic license and collaboration opportunities worldwide.

AWARDS AND RECOGNITION

In May 2025, the Company was awarded "Asia's Best Company" by FinanceAsia (亞洲金融).

In May 2025, the Company received a series of industry awards from Extel (formerly Institutional Investor Research) (前稱"機構投資者"), including "Most Honored Company", "Best Company Board", "Best CEO", "Best CFO" and etc.

In May 2025, the Company was awarded "IRM OF CHINESE LISTED COMPANIES" by Securities Times (證券時報).

In July 2025, the Company was recognized with the "China Pharmaceutical Emerging Innovative Force Award" by the China National Pharmaceutical Industry Information Center (中國醫藥工業信息中心).

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

We have established a comprehensive three-tier ESG governance structure consisting of the Board of Directors, ESG Working Group and ESG Executive Body. Among them, the Board of Directors serves as the highest responsible and decision-making body for ESG management and information disclosure, guiding and supervising the Company's ESG development. Through the establishment and continuous improvement of the ESG governance structure, the Company comprehensively enhances ESG performance ability and ensures the Company's sustainable development. In May 2025, the company was awarded "Best ESG" by Extel (formerly Institutional Investor Research) (前稱"機構投資者").

II. FINANCIAL REVIEW

Overview

The following discussion is based on, and should be read in conjunction with, the financial statements and the notes included elsewhere in this Interim Report.

Revenue

During the Reporting Period, our revenue consisted of (i) revenue from our license and collaboration agreements (see "Our License and Collaboration Arrangements" above in this Interim Report for details); (ii) revenue from research and development services; and (iii) revenue from sales of pharmaceutical products. The following table sets forth the components of our revenue in absolute amounts for the period indicated:

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Revenue from license and collaboration agreements	**628,015**	1,377,978
Revenue from provision of research and development service	**12,674**	4,813
Revenue from sales of pharmaceutical products	**309,756**	–
	950,445	1,382,791

The Group's revenue for the six months ended June 30, 2025 was RMB950.4 million, representing a decrease of 31.3% compared to RMB1,382.8 million for the six months ended June 30, 2024. The decrease was mainly attributable to the decrease of milestone payments from license and collaboration agreements compared to the first half of 2024. Meanwhile, in the first half of 2025, the sales of pharmaceutical products contributed RMB309.8 million in revenue.

Cost of Sales

During the Reporting Period, our cost of sales was primarily related to the R&D activities we conducted in accordance with our license and collaboration agreements, the R&D services we provided to Kelun Group and other third parties, and the production of our pharmaceutical products. Our cost of sales primarily consisted of (i) trial and testing expenses, primarily in relation to the engagement of CROs, clinical trial sites, principal investigators and other service providers for the R&D services we provided to other third parties in accordance with our license and collaboration agreements; (ii) employee salaries and benefits for R&D staff; and (iii) others, including cost of goods sold (COGS) of pharmaceutical products, tax and surcharge, costs of raw materials and other consumables, depreciation and amortization expenses in connection with the machinery and equipment used, transportation expenses, and office expenses and other miscellaneous expenses.

The following table sets forth a breakdown of our cost of sales in absolute amounts for the period indicated.

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Staff costs	**29,123**	46,030
Trial and testing expenses	**227,006**	225,976
Others	**34,328**	34,095
Total	**290,457**	306,101

The Group's cost of sales for the six months ended June 30, 2025 was RMB290.5 million, representing a decrease of 5.1% compared to RMB306.1 million for the six months ended June 30, 2024. The decrease was mainly because staff costs participating in collaboration projects decreased in the first half of 2025.

Gross Profit and Gross Profit Margin

Gross profit represents revenue less cost of sales. As a result of the aforementioned factors, the gross profit of the Group decreased by 38.7% from RMB1,076.7 million for the six months ended June 30, 2024 to RMB660.0 million for the six months ended June 30, 2025.

Our gross profit margin is calculated as gross profit divided by revenue. The gross profit margin of the Group decreased from 77.9% for the six months ended June 30, 2024 to 69.4% for the six months ended June 30, 2025.

Other Net Income

During the Reporting Period, our other net income or expenses primarily consisted of (i) interest income from bank deposits; (ii) net foreign exchange gains or losses which primarily reflected the increased or decreased value of assets or liabilities denominated in foreign currencies we hold resulting from fluctuations in exchange rate; (iii) net realized and unrealized gain on financial assets measured at fair value through profit or loss (FVPL); (iv) government grants, mainly representing government subsidies from state and local government authorities in relation to our R&D activities and construction of our R&D and manufacturing facilities, which were one-off in nature and may vary from period to period; (v) interest income from financial assets measured at amortized cost; (vi) net gains or losses on disposal of property, plant and equipment; (vii) donations; and (viii) others.

The Group's other net income for the six months ended June 30, 2025 was RMB31.8 million, representing a decrease of RMB62.6 million compared to RMB94.4 million for the six months ended June 30, 2024, mainly due to a decrease in government subsidies.

Administrative Expenses

During the Reporting Period, our administrative expenses primarily consisted of (i) staff costs, representing employee salaries and benefits, including the grant of restricted share units, for our administrative personnel; (ii) office and travel expenses in relation to our general operations; (iii) consulting service fees paid to agents, independent financial advisor and other professional service providers in the ordinary course of our business; and (iv) others, including depreciation and amortization expenses mainly associated with our office and equipment for administrative purposes, maintenance and repair expenses for office and equipment, recruitment expenses, and other miscellaneous expenses.

The following table sets forth a breakdown of our administrative expenses in absolute amounts for the periods indicated.

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Staff costs	**60,799**	50,638
Consulting service fee	**3,727**	2,043
Office and travel expenses	**1,643**	3,189
Others	**7,675**	9,969
Total	**73,844**	65,839

The Group's administrative expenses for the six months ended June 30, 2025 was RMB73.8 million, representing an increase of 12.2% compared to RMB65.8 million for the six months ended June 30, 2024. The increase was primarily attributable to the increase in staff costs.

Selling and Distribution Expenses

During the Reporting Period, our selling and distribution expenses primarily consisted of (i) costs of staff salaries and benefits associated with sales and marketing activities; and (ii) conference and marketing expenses related to business activities, administrative expenses and others.

The following table sets forth a breakdown of our selling and distribution expenses in absolute amounts for the periods indicated.

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Staff costs	**94,753**	33,797
Conference, marketing, administrative expenses and others	**84,172**	7,354
Total	**178,925**	41,151

The Group's selling and distribution expenses for the six months ended June 30, 2025 was RMB178.9 million, representing an increase of 334.8% compared to RMB41.2 million for the six months ended June 30, 2024. The increase was primarily attributable to (i) the continuous expanding of our commercialization team; and (ii) increased costs and expenses relating to marketing activities for our products. Since a few of the Group's pharmaceutical products were approved for marketing and the Company officially launched commercial sales last November, the costs of marketing and academic promotional activities, etc., correspondingly increased in the first half of 2025. For further details of the commercialization of our products, please see the section headed "Commercialization" of this Interim Report.

Research and Development Expenses

During the Reporting Period, our research and development expenses primarily consisted of (i) trial and testing expenses, primarily in relation to the engagement of CROs, clinical trial sites, principal investigators and other service providers; (ii) staff costs, representing employee salaries and benefits, including the grant of restricted share units, for our R&D personnel; (iii) raw materials costs in relation to research and development of our drug candidates; and (iv) others, such as depreciation, amortization and short-term lease expenses, utilities, maintenance and repair costs, and expenses incurred for the application and maintenance of intellectual property rights in relation to our R&D activities.

The following table sets forth a breakdown of our research and development expenses in absolute amounts for the periods indicated.

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Staff costs	**201,672**	200,857
Trial and testing expenses	**289,511**	298,119
Raw materials	**53,298**	85,278
Others	**67,058**	68,083
Total	**611,539**	652,337

The Group's R&D expenses for the six months ended June 30, 2025 was RMB611.5 million, representing a decrease of 6.3% compared to RMB652.3 million for the six months ended June 30, 2024, mainly due to the reduction in the use of raw materials.

Finance Costs

During the Reporting Period, our finance costs primarily consisted of (i) interest expenses on lease liabilities and (ii) interest expenses on discounting of bills payable.

The Group's finance costs for the six months ended June 30, 2025 was RMB3.0 million, representing an increase of 20.5% compared to RMB2.5 million for the six months ended June 30, 2024. The increase in finance costs was primarily attributable to the rise in interest expenses on lease liabilities.

Income Tax

During the Reporting Period, our income tax consisted of current tax, withholding tax, and withholding tax refund. For the six months ended June 30, 2024 and 2025, we recorded income tax of RMB99.0 million and RMB-30.4 million, respectively.

PRC

Effective from January 1, 2008, the PRC statutory income tax rate is 25% under the enterprise income tax laws. Our subsidiaries in the PRC are subject to PRC income tax at 25% unless otherwise specified.

According to the enterprise income tax laws and its relevant regulations, entities that qualified as High and New Technology Enterprise are entitled to a preferential income tax rate of 15%. We obtained our certificate of High and New Technology Enterprise on December 3, 2020 and October 16, 2023 respectively and are entitled to preferential income tax of 15% from 2020 to 2026.

United States

Pursuant to U.S. income tax laws and regulations and the Agreement between the Government of the People's Republic of China and the United States of America for Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (《中華人民共和國政府和美利堅合眾國政府關於對所得避免雙重徵税和防止偷漏税的協定》), we are subject to a 10% U.S. federal withholding tax, applied to certain payments made to us pursuant to the respective license and collaboration agreements.

In 2025, Internal Revenue Service refunded USD6,500 thousand (equivalent to RMB46,715 thousand) of withholding tax to the Company pursuant to relevant US federal income tax laws and regulations.

Hong Kong

The provision for Hong Kong Profits Tax for 2025 is calculated at 16.5% (2024: 16.5%) of the estimated assessable profits for the period. There were no assessable profits generating from the subsidiary incorporated in Hong Kong of the Group during the six months ended June 30, 2025.

Profit/Loss for the period

As a result of the foregoing, our profit for the Reporting Period decreased by 146.8% from RMB310.2 million for the six months ended June 30, 2024 to RMB-145.2 million for the six months ended June 30, 2025.

The Group also uses adjusted loss for the year calculated by deducting equity-settled share-based payment from loss for the year as an additional financial measure which is not required by or presented in accordance with the IFRS. This non-IFRS measure has limitations as an analytical tool and may not be comparable to a similarly titled measure presented by other companies. However, the Group believes that this non-IFRS measure is a reflection of its normal operating results by eliminating potential impacts of items that the management do not consider to be indicative of the Group's operating performance and thus provides useful and meaningful information to the Shareholders and the investing public.

Capital Management

As part of our cash management policy, we believe that we can make better use of our cash by utilizing wealth management products to better utilize our idle own funds without interfering with our business operations or capital expenditures. To monitor and control the investment risks associated with our financial assets measured at FVPL and financial assets measured at amortized cost, we have adopted a comprehensive set of internal policies and guidelines to manage our investment in financial assets measured at FVPL and financial assets measured at amortized cost. We make investment decisions based on our estimated capital requirements and our annual budget, taking into account the duration, expected returns and risks of the wealth management product.

Liquidity and Capital Resources

On June 12, 2025, the Company issued an aggregate of 5,918,000 new H Shares at a placing price of HK$331.8 per H Share pursuant to a placing agreement entered into by the Company and the Placing Agents. The net proceeds from the Placing amounted to approximately HK$1,943.0 million (equivalent to RMB1,777.4 million[6]).

During the Reporting Period, our cash and cash equivalents consisted of cash at bank, net of restricted bank deposits. We had cash and cash equivalents of RMB1,336.5 million and RMB3,102.8 million as at December 31, 2024 and June 30, 2025, respectively. The increase in our cash and cash equivalents primarily reflected the net proceeds from the Placing in June 2025.

As at December 31, 2024 and June 30, 2025, the balance of our financial assets measured at FVPL was RMB1,448.3 million and RMB852.3 million, respectively. As at December 31, 2024 and June 30, 2025, the balance of our financial assets measured at amortized cost was RMB284.0 million and RMB488.3 million, respectively. Such changes were primarily due to the purchase and maturity of wealth management products acquired by the Company.

Notes:

(6) Based on the exchange rate of HK$1: RMB0.91481 published by the State Administration of Foreign Exchange of the PRC on June 12, 2025 for illustration purpose.

Net Cash Used in Operating Activities

Our primary uses of cash during the Reporting Period were to fund our research and development activities, the construction of our research and development and manufacturing facilities, and purchase of equipment, machinery and intangible assets. We used net cash of RMB373.2 million in operating activities for the six months ended June 30, 2025, compared to the net cash of RMB68.9 million used in operating activities for the six months ended June 30, 2024. The increase in cash used was primarily because of less payments received from MSD pursuant to our collaboration in the first half of 2025. During the Reporting Period, we financed our operations primarily through payments received in accordance with our license and collaboration agreements and proceeds from the Placing.

Borrowings and Gearing Ratio

During the Reporting Period, the Company did not have any borrowings.

The gearing ratio is calculated by using interest-bearing borrowings and lease liabilities less cash and cash equivalents, divided by total equity and multiplied by 100%. As at June 30, 2024 and 2025, the Group had more cash and cash equivalents than interest-bearing borrowings and lease liabilities and thus, gearing ratio is not applicable.

Net Current Assets

The Group's net current assets as at June 30, 2025 were RMB4,402.3 million, representing an increase of 64.1% compared to net current assets of RMB2,683.0 million as at December 31, 2024 primarily because of the net proceeds from the Placing.

Currency Risk

We are exposed to currency risk primarily through sales and purchases which give rise to cash and cash equivalents and amounts due to related parties that are denominated in a foreign currency, i.e., a currency other than the functional currency of the operations to which the transactions related. The currencies giving rise to this risk is primarily U.S. dollars. Any significant exchange rate fluctuations of U.S. dollars against RMB may have a financial impact on us. Our management monitors our foreign currency risk exposure and will review and adjust our hedging measures in accordance with our needs.

Pledge of Shares

We do not have any pledging of shares by our Controlling Shareholders.

Significant Investments, Material Acquisitions and Disposals

As at June 30, 2025, we did not hold any significant investments. For the Reporting Period, we did not have material acquisitions or disposals of subsidiaries, associates and joint ventures.

Capital Expenditure

For the six months ended June 30, 2025, the Group's total capital expenditure amounted to approximately RMB27.1 million, which was mainly used in purchasing R&D instruments and equipment.

Charge on Assets

As at June 30, 2025, there was no charge on assets of the Group.

Contingent Liabilities

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

Employees and Remuneration Policies

As at June 30, 2025, we had 1,870 employees in total.

We enter into individual employment contracts with our employees covering matters such as salaries, bonuses, employee benefits, workplace safety, confidentiality obligations, work product assignment clause and grounds for termination. The remuneration package of our employees includes salary and bonus, which are generally determined by their qualifications, performance review, and seniority. We also offer share incentives and promotion opportunities to motivate our employees.

III. PROSPECTS

In 2025, we continue to deepen the reform of our R&D innovation. Focusing on our strengths, we strive to increase efficiency, strengthen external cooperation, benchmark with the highest industry standards, enhance scientific decision-making capability, and maintain and expand our leading advantage in key technology areas such as pioneering projects and ADCs. Having established a product market-oriented mindset and facing unmet clinical needs, we have been developing innovative drugs with differentiated advantages and potential for internationalization in a targeted manner. Leveraging the application of big data and artificial intelligence, we have been strengthening our research capabilities on biology/small molecule and translational medicine to increase the success rate of innovative drug R&D. We will also enhance international cooperation on innovative drugs, accelerate cultivation of new competitive advantages and integrate into the innovative global drug network at a higher level to realize the value of innovative drugs in a broader space.

Specifically, we intend to pursue the following development strategies: (i) advancing our differentiated pipelines targeting indications with significant medical needs; (ii) innovating on optimized payload-linker strategies, novel DC designs and structures, and expanded application to non-oncology diseases; (iii) enhancing our end-to-end drug development capabilities and advancing towards commercialization; (iv) expanding global footprints and strategic partnerships to maximize the value of our pipelines; and (v) optimizing our operation system to become a leading global biopharmaceutical company.

(i) Advancing our differentiated pipelines targeting indications with significant medical needs

In the second half of 2025, our main goal is to advance our pipeline of over 10 clinical-stage drug candidates. We plan to accelerate the clinical development process of our clinical stage drug candidates. We expect to continue to strengthen the establishment of our ADC and novel DC pipelines, promote the joint management of projects under collaboration with our partners and receive further milestone payments.

Guided by our indication-oriented approach, we will continue to advance our clinical-stage and preclinical oncology assets to target cancer indications with high prevalence and medical needs, notably BC, NSCLC, GI cancers and gynecological tumors. We will also continue to build and expand our differentiated non-oncology drug portfolio to target indications with significant disease burden and medical needs including autoimmune and metabolic diseases, leveraging our competitive ADC and novel DC, biologics and small-molecule technology platforms.

(ii) Innovating on optimized payload-linker strategies, novel DC designs and structures, and expanded application to non-oncology diseases

We are establishing ADC and novel DC designs to further advance our OptiDC™ portfolio via a multi-pronged strategy, including:

Further replacement of chemo-based cancer therapies.

- Developing ADCs targeting novel targets and target combinations, such as (i) biparatopic antibodies that target different, non-overlapping binding sites on a single antigen to improve efficacy by promoting cellular uptake of an ADC; (ii) bsAbs that target two different antigens co-expressed on the same cancer cells to improve binding specificity toward cancer cells and reduce off-tumor toxicity; and (iii) TAA-IO bsAbs to enhance anti-tumor effect by simultaneously targeting TAA on tumor cells and IO antigen.

- Expanding payloads beyond common cytotoxic agents. In addition to new topoisomerase and tubulin inhibitors with optimized drug-like properties, DNA-damaging reagents and other novel cytotoxic agents and their combinations (dual-payload ADCs) are developed to deal with drug resistance and suboptimal therapeutic index of current ADC-based therapies.

- Optimizing our conjugation technologies to enable precise control of the positioning and number of conjugated payloads including dual payloads. To match the needs of constructing ADCs with appropriate drug load and types, and conjugating sites, we have developed site-specific conjugating technologies that allow precise control of DAR value, and this is realized via a practical and cost-effective CMC process without complicated antibody engineering or modification.

Expansion into non-chemo-based cancer therapies.

- Developing novel DCs with diversified mechanisms of action other than cytotoxic mechanism, such as (i) RDCs that carry radioactive isotopes to cancer cells and represent a promising strategy to overcome drug resistance associated with traditional cytotoxin-based ADCs; (ii) iADCs that carry immune-modulators that stimulate innate and adaptive immune response to provide a robust and long-term anti-tumor effect; and (iii) DACs with targeted protein degraders that offer enhanced safety than cytotoxins by inducing specific protein degradation in tumor cells.

Exploration beyond cancer.

- In addition to ADCs for treating cancers, we are developing ADCs configured with various novel, non-cytotoxic payload strategies for non-oncology diseases, such as ADCs with GR modulators as payloads to treat autoimmune diseases.

(iii) Enhancing our end-to-end drug development and commercialization capabilities

R&D. In addition to expanding our drug portfolio, we are dedicated to optimizing our R&D platforms and developing novel technologies to support the R&D of next-generation drugs. We continue to enhance our R&D capabilities by bringing in experienced professionals from around the world. In addition, we are paying close attention to AI-enabled drug discovery and plan to continue introducing AI into several R&D processes to further improve R&D efficiency, including novel target validation, drug discovery, synthesis pathway generation, prediction of drug properties and indication selection, and so on.

Manufacturing and Quality Management. We will continue to expand our cGMP facilities to support commercialization needs. Going forward, we will continue to enhance our manufacturing capabilities, through expanding our in-house capacity or through collaborating with industry-recognized contract manufacturing organizations. Meanwhile, we strive to upgrade and improve our comprehensive quality management system, benchmarking against the highest international standards adopted by pharmaceutical multinational corporations, to ensure patient safety and regulatory compliance.

Commercialization. We have received marketing authorization for sac-TMT (佳泰莱®), tagitanlimab (科泰莱®) and Cetuximab N01 (达泰莱®) and have commenced their commercialization. Based on the expected approval timeline of each late-stage project in our pipeline, and subject to regulatory communications and marketing approval, we expect to launch our Core Product trastuzumab botidotin (舒泰莱®)[7] in the China market and file an NDA for A400 in the second half of 2025. We have set up a fully-fledged commercialization team to prepare and implement the marketing and commercialization of our strategic products and have established a departmental structure within the Company, consisting of various departments such as marketing, sales, distribution and market access, medical affairs, and strategic planning and commercial excellence, among others, as well as marketing compliance and KA functions. We will continue to refine our commercialization strategies for each late-stage drug candidate, first prioritizing therapeutic areas with medical needs in China, such as BC, NSCLC and GI cancers, while offering synergistic treatment options enabled by our diverse pipeline to optimize patient outcome. Globally, we will continue to pursue a flexible strategy to capture the commercial value in major international markets, through forging synergistic license and collaboration opportunities worldwide.

(iv) Expanding global footprints and strategic partnerships to maximize the value of our pipelines

Following the success of our existing license and collaboration agreements, we are actively exploring new partnership opportunities globally. In the near to medium term, we plan to continue adopting the out-licensing collaboration model and fully leverage our partners' global clinical development and commercialization capabilities to bring our products to the global market. In the long term, we will leverage the out-licensing collaborations to fully learn from our partners' expertise in global clinical development and commercialization, explore more diversified "going overseas" pathways, gradually conduct and promote international multi-center, registrational clinical studies and establish a commercialization system. By doing so, our products can benefit from a wider range of patients worldwide, enjoy greater global market value and further enhance corporate value. Meanwhile, we are closely monitoring global opportunities

Notes:

(7) Trade name to be approved by NMPA.

to in-license new drug candidates and innovative technologies that could bring strategic synergies to our pipeline and technology platforms. We are also committed to enhancing our collaborations with key opinion leaders, top hospitals and academic institutions, in China and globally, to ensure our timely access to cutting-edge research and support our existing and future pipeline.

(v) Optimizing our operation system to become a leading global biopharmaceutical company

We are continuously reviewing and optimizing our internal procedures, particularly our R&D management process, to enhance operational efficiency and support our growth as a fully-fledged biopharmaceutical company. We also aim to attract and recruit outstanding scientific, marketing and managerial personnel to join our talent pool, in order to maintain our competitiveness in a rapidly evolving industry.

Meanwhile, we are actively seeking opportunities to expand our global footprint and raise international brand awareness. As our business continues to grow, we will adhere to our mission to address major medical needs in China and globally, and to bring world-class treatments, and a healthier and happier life, to all patients.

CORPORATE GOVERNANCE AND OTHER INFORMATION

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

None of the Company or any of its subsidiaries has made any purchase, sale or redemption of the listed securities of the Company (including sale of treasury shares) during the six months ended June 30, 2025.

As at 30 June 2025, the Company did not hold any treasury shares.

CORPORATE GOVERNANCE

The Company recognizes the importance of good corporate governance for enhancing the management of the Company as well as preserving the interests of the shareholders as a whole. The Company has adopted corporate governance practices based on the principles and code provisions as set out in the CG Code as contained in Appendix C1 to the Listing Rules as its own code of corporate governance practices.

The Company has strictly complied with the CG Code during the six months ended June 30, 2025.

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

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its code of conduct regarding dealings in the securities of the Company by the Directors, the Supervisors (from the beginning of the Reporting Period until the abolishment of the Supervisory Committee on June 20, 2025) and the Group's employees who, because of his/her office or employment, is likely to possess inside information in relation to the Group or the Company's securities.

Upon specific enquiry, all Directors confirmed that they have complied with the Model Code during the six months ended June 30, 2025, and all Supervisors confirmed that they have complied with the Model Code from the beginning of the Reporting Period until the abolishment of the Supervisory Committee on June 20, 2025. In addition, the Company is not aware of any non-compliance with the Model Code by the senior management of the Group during the six months ended June 30, 2025.

EVENTS AFTER THE REPORTING PERIOD

- On August 19, 2025, clinical data from a Phase 2 study (OptiTROP-Lung01) of sac-TMT in combination with PD-L1 mAb tagitanlimab (科泰莱®) for the first-line treatment of advanced or metastatic NSCLC were published in *Nature Medicine*.

- The Company entered the "2025 Fortune China Tech 50" list released by Fortune (财富) on August 21, 2025.

Save as disclosed above, the Company is not aware of any material subsequent events from June 30, 2025 to the date of publishing this Interim Report.

REVIEW OF INTERIM RESULTS

The Audit Committee comprises three independent non-executive Directors, namely Dr. LI Yuedong, Dr. TU Wenwei and Dr. ZHENG Qiang. The chairman of the Audit Committee is Dr. LI Yuedong who holds the appropriate qualification as required under Rules 3.10(2) and 3.21 of the Listing Rules. The Audit Committee has reviewed the unaudited interim condensed consolidated financial information of the Group for the six months ended June 30, 2025 with the management and the auditor of the Company. The Audit Committee considered that the interim results are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof. 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 of the Company.

The independent auditor of the Company, namely KPMG, has 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".

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended June 30, 2025 (June 30, 2024: nil).

CHANGE OF INFORMATION OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES

The following sets out the changes in the particulars of Directors, Supervisors (from the beginning of the Reporting Period until the abolishment of the Supervisory Committee on June 20, 2025) and chief executives of the Company which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the publication of the annual report of the Company for the year ended December 31, 2024:

(1) Following the approval of the amendments to the Articles of Association by the Shareholders at the annual general meeting held on June 20, 2025, the Company has abolished the Supervisory Committee with effect from June 20, 2025. As such, each of Ms. LIAO Yihong, Dr. SONG Hongmei, Ms. YANG Qiuyan and Dr. QING Yan ceased to be a Supervisor of the Company with effect from June 20, 2025.

(2) Dr. GE Junyou was elected as the employee representative Director of the fourth session of the Board at the meeting of the employee representative of the Company held on June 20, 2025.

(3) Dr. GE Junyou was appointed as a member of the Professional Committee on Drug Inspection and Compliance Research of China Society for Drug Regulation (中國藥品監督管理研究會藥品檢查與合規性研究專業委員會) in June 2025.

(4) Ms. LIAO Yihong was appointed as a non-executive Director with effect from June 20, 2025.

(5) Mr. ZENG Xuebo has been a non-executive Director of Sunshine Lake Pharma Co., Ltd. (廣東東陽光藥業股份有限公司) (a company listed on the Stock Exchange (stock code: 6887) since August 7, 2025) since December 2024.

(6) Mr. LI Dongfang ceased to be a non-executive Director with effect from June 20, 2025.

(7) Dr. ZHENG Qiang was appointed as a member of the Audit Committee and ceased to be a member of the Nomination Committee, both with effect from June 20, 2025.

(8) Dr. JIN Jinping was appointed as a member of the Nomination Committee and ceased to be a member of the Audit Committee, both with effect from June 20, 2025.

Save as disclosed above, there has been no other change in the information of the Directors, Supervisors (from the beginning of the Reporting Period until the abolishment of the Supervisory Committee on June 20, 2025) and chief executives of the Company which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules as of the date of publishing this Interim Report.

DIRECTORS' AND SUPERVISORS' RIGHT TO PURCHASE SHARES OR DEBENTURES

During the Reporting Period, other than the Pre-IPO Employee Incentive Scheme, the Company did not grant any rights to acquire benefits by means of the acquisition of Shares or debentures of the Company to any Directors or Supervisors or their respective spouses or minor children under the age of 18 years, and none of them has exercised such rights.

As at the end of the Reporting Period, other than the Pre-IPO Employee Incentive Scheme, none of the Directors or their respective spouses or minor children under the age of 18 years were granted with rights, or had exercised any such rights, to acquire benefits by means of purchasing Shares or debentures of the Company. No member of the Group was a party to any arrangements to enable the Directors or their respective spouses or minor children under the age of 18 years to acquire such rights from any other body corporates.

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

As at June 30, 2025, the interests or short positions of the Directors and chief executives of the Company 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 Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which any such Directors and chief executive(s) of the Company are taken or deemed to have under such provisions of the SFO) or which were required to be entered in the register required to be kept by the Company pursuant to Section 352 of the SFO or which were otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

(a) Interest in the Shares of the Company

Name of Director or chief executive	Position	Nature of Interest	Number and types of Shares held[1]	Approximate percentage of shareholding in the relevant class of Shares[1] (%)	Approximate percentage of shareholding in the total issued Shares[1] (%)
LIU Gexin	Chairman of the Board and non-executive Director	Interest in controlled corporation[2]	92,345,543 H Shares (L)[2]	56.73	39.60
		Interest in controlled corporation[3]	62,201,712 Unlisted Shares (L)[3]	88.33	26.67
GE Junyou	Executive Director, general manager and chief executive officer	Other[4]	2,250,000 H Shares (L)[4]	1.38	0.96
LAI Degui	Non-executive Director	Other[5]	465,000 H Shares (L)[5]	0.29	0.20
FENG Hao	Non-executive Director	Other[6]	465,000 H Shares (L)[6]	0.29	0.20
LIAO Yihong	Non-executive Director	Other[7]	170,000 H Shares (L)[7]	0.10	0.07

Notes:

(1) As at June 30, 2025, the Company had a total of 233,185,969 issued Shares, consisting of (i) 70,415,990 Unlisted Shares, comprising 65,773,800 Domestic Shares and 4,642,190 Unlisted Foreign Shares, and (ii) 162,769,979 H Shares.

(2) Mr. LIU Gexin is deemed as the actual controller of Sichuan Kelun Pharmaceutical Co., Ltd. ("**Kelun Pharmaceutical**"). Kelun Pharmaceutical is interested in a total of 92,345,543 H Shares, comprising (i) 57,777,843 H Shares directly held as beneficial owner; (ii) 4,567,700 H Shares held by Kelun International Development Co., Limited ("**Kelun International**"), a wholly-owned subsidiary of Kelun Pharmaceutical and (iii) 30,000,000 H Shares held by the four Employee Incentive Platforms, the general partner of which is Chengdu Kelun Jingchuan Technology Co., Ltd. ("**Kelun Jingchuan**"), a wholly-owned subsidiary of Kelun Pharmaceutical.

(3) Mr. LIU Gexin is deemed as the actual controller of Kelun Pharmaceutical. Kelun Pharmaceutical directly held 62,201,712 Unlisted Shares as beneficial owner.

(4) Dr. GE Junyou has been granted share awards under the Pre-IPO Employee Incentive Scheme held by Chengdu Kelun Huicai Enterprise Management Center Limited Partnership (成都科倫匯才企業管理中心(有限合夥)) ("**Kelun Huicai**") and Chengdu Kelun Huizhi Enterprise Management Center Limited Partnership (成都科倫匯智企業管理中心(有限合夥)) ("**Kelun Huizhi**"), two of the Employee Incentive Platforms. Kelun Huicai held a total of 7,500,000 H Shares. Dr. GE Junyou held 28.00% partnership interest in Kelun Huicai, corresponding to 2,100,000 H Shares. Kelun Huizhi held a total of 7,500,000 H Shares. Dr. GE Junyou held 2.00% partnership interest in Kelun Huizhi, corresponding to 150,000 H Shares.

(5) Mr. LAI Degui has been granted share awards under the Pre-IPO Employee Incentive Scheme held by Kelun Huicai, one of the Employee Incentive Platforms. Kelun Huicai held a total of 7,500,000 H Shares. Mr. LAI Degui held 6.20% partnership interest in Kelun Huicai, corresponding to 465,000 H Shares.

(6) Mr. FENG Hao has been granted share awards under the Pre-IPO Employee Incentive Scheme held by Kelun Huicai, one of the Employee Incentive Platforms. Kelun Huicai held a total of 7,500,000 H Shares. Mr. FENG Hao held 6.20% partnership interest in Kelun Huicai, corresponding to 465,000 H Shares.

(7) Ms. LIAO Yihong has been granted share awards under the Pre-IPO Employee Incentive Scheme held by Kelun Huicai, one of the Employee Incentive Platforms. Kelun Huicai held a total of 7,500,000 H Shares. Ms. LIAO Yihong held 2.27% partnership interest in Kelun Huicai, corresponding to 170,000 H Shares.

(L) Long position.

(b) Interest in the shares of associated corporations

Name of associated corporation	Name of Director or chief executive	Position	Nature of Interest	Number of shares held in the associated corporation	Approximate percentage of shareholding in the total issued shares of the associated corporation (%)
Kelun Pharmaceutical[2]	LIU Gexin	Chairman of the Board and non-executive Director	Beneficial owner	379,128,280 (L)	23.72[1]
	GE Junyou	Executive Director and general manager	Beneficial owner	295,000 (L)	0.02[1]
	LIU Sichuan	Non-executive Director	Beneficial owner	8,346,286 (L)	0.52[1]
	LAI Degui	Non-executive Director	Beneficial owner	446,699 (L)	0.03[1]
	FENG Hao	Non-executive Director	Beneficial owner	431,534 (L)	0.03[1]
	LIAO Yihong	Non-executive Director	Beneficial owner	121,667 (L)	0.01[1]
Zhejiang Keyun[3]	LAI Degui	Non-executive Director	Beneficial owner	2,000,000 (L)	10.00[5]
			Interest in controlled corporation[4]	3,200,000 (L)[4]	16.00[5]
	FENG Hao	Non-executive Director	Beneficial owner	2,000,000 (L)	10.00[5]
			Interest in controlled corporation[4]	3,200,000 (L)[4]	16.00[5]

Notes:

(1) As at June 30, 2025, Kelun Pharmaceutical had a total of 1,598,053,372 issued shares.

(2) Kelun Pharmaceutical is the holding company of the Company and therefore an associated corporation of the Company.

(3) Zhejiang Keyun IOT Technology Co., Ltd. (浙江科運物聯科技有限公司) ("**Zhejiang Keyun**") is a subsidiary of Kelun Pharmaceutical and therefore an associated corporation of the Company.

(4) Each of Lishui Keyun Yaotong Logistics Technology Limited Partnership (麗水市科運耀通物流科技合夥企業(有限合夥)) ("**Keyun Yaotong**") and Lishui Keyun Rentong Logistics Technology Limited Partnership (麗水市科運仁通物流科技合夥企業(有限合夥)) ("**Keyun Rentong**") held RMB1,600,000 registered capital of Zhejiang Keyun. Mr. LAI Degui and Mr. FENG Hao each held 50% partnership interest in each of Keyun Yaotong and Keyun Rentong and is therefore deemed to be interested in the registered capital of Zhejiang Keyun held by Keyun Yaotong and Keyun Rentong.

(5) As at June 30, 2025, Zhejiang Keyun had a total of RMB20,000,000 registered capital.

(L) Long position.

Save as disclosed above, as at June 30, 2025, none of the Directors and chief executives of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or 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 Stock Exchange pursuant to Divisions 7 and 8 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 352 of the SFO or which was required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

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

To the best knowledge of the Company based on public information, as at June 30, 2025, the interests or short positions of the following persons (other than the Directors and chief executives of the Company) in the Shares or underlying Shares 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 Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO (including interests or short positions which any such persons other than the Directors and chief executives of the Company are taken or deemed to have under such provisions 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 were as follows:

Name of Shareholder	Nature of Interest	Number and class of Shares held[1]	Approximate percentage of shareholding in the relevant class of Shares[1] (%)	Approximate percentage of shareholding in the total issued Shares[1] (%)
Kelun Pharmaceutical	Beneficial owner	57,777,843 H Shares (L)	35.50	24.78
	Interest in controlled corporations[2]	34,567,700 H Shares (L)[2]	21.24	14.82
	Beneficial owner[3]	62,201,712 Unlisted Shares (L)[3]	88.33	26.67
Kelun Jingchuan	Interest in controlled corporations[4]	30,000,000 H Shares (L)[4]	18.43	12.87
Merck & Co., Inc.[5]	Interest in controlled corporation[5]	13,443,693 H Shares (L)	8.26	5.77
Merck Sharp & Dohme LLC[5]	Beneficial owner	13,443,693 H Shares (L)	8.26	5.77

Notes:

(1) As at June 30, 2025, the Company had a total of 233,185,969 issued Shares, consisting of (i) 70,415,990 Unlisted Shares, comprising 65,773,800 Domestic Shares and 4,642,190 Unlisted Foreign Shares, and (ii) 162,769,979 H Shares.

(2) Kelun Pharmaceutical is interested in a total of 92,345,543 H Shares, comprising (i) 57,777,843 H Shares directly held as beneficial owner; (ii) 4,567,700 H Shares held by Kelun International, a wholly-owned subsidiary of Kelun Pharmaceutical and (iii) 30,000,000 H Shares held by the four Employee Incentive Platforms, the general partner of which is Kelun Jingchuan, a wholly-owned subsidiary of Kelun Pharmaceutical.

(3) Kelun Pharmaceutical directly held 62,201,712 Unlisted Shares as beneficial owner.

(4) Kelun Jingchuan is the general partner of the four Employee Incentive Platforms, which in aggregate held 30,000,000 H Shares.

(5) Merck Sharp & Dohme LLC is a wholly-owned subsidiary of Merck & Co., Inc., a company listed on the New York Stock Exchange (stock code: MRK).

(L) Long position.

Save as disclosed above, as at June 30, 2025, no person (other than the Directors and chief executives of the Company as set out in the paragraph headed "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and debentures of the Company and its Associated Corporations" in this report) had any interests or short positions in the Shares or underlying Shares of the Company which were required to be notified to the Company or the Stock Exchange pursuant to 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 EMPLOYEE INCENTIVE SCHEME

The Pre-IPO Employee Incentive Scheme was adopted and approved by resolutions in writing by the Board in 2016, and was further revised in May 2020 and January 2023. The purpose of the Pre-IPO Employee Incentive Scheme is to provide equity incentives for core employees to attract and recruit skilled personnel, in order to fully mobilize the enthusiasm of core employees, ensure stability, motivation and long-term core R&D personnel's labor relationships and aligning core employees' interest with the long-term development of the Company. The Pre-IPO Employee Incentive Scheme is not subject to the provisions of Chapter 17 of the Listing Rules as it will not involve the grant of new options or awards by the Company after the Listing.

The Company has established four employee incentive platforms, namely Kelun Huicai, Kelun Huide, Kelun Huineng and Kelun Huizhi (the "**Employee Incentive Platforms**"), in the form of limited partnerships. As at June 30, 2025, the four Employee Incentive Platforms, in aggregate, held 30,000,000 Shares.

The following is a summary of the principal terms of the Pre-IPO Employee Incentive Scheme.

1. Summary of terms

(a) Purpose

For the purpose of quickly attracting and recruiting high-end talents, fully mobilizing the enthusiasm of our core employees, ensuring stability, motivation and long-term core R&D personnel's labor relationships, accelerating the development process of products candidates, encouraging core employees to work hard and aligning their interest with the long-term development of our Company, the Company provides equity incentives for core employees.

(b) Form of Scheme

Participants, as partners of the Employee Incentive Platforms which are in the form of limited partnerships, shall subscribe for the capital contribution of the limited partnership interest according to the amount approved by the equity incentive management committee (the "**Equity Incentive Management Committee**"), and make the corresponding payment in accordance with the arrangement of the Equity Incentive Management Committee, thereby indirectly holding the shares of the Company by virtue of their capacity as a limited partner of the relevant Employee Incentive Platform.

(c) Participants

The participants include the senior management, key technical personnel and other core employees, Directors, Supervisors or consultants of the Company, Sichuan Konas and KLUS PHARMA (the "**Participants**"). The Equity Incentive Management Committee shall determine or adjust the scope of Participants and the incentive shares after considering factors such as the employee's working years, on-boarding situations, annual appraisal performance, nature of the job, seniority, and sense of corporate identity.

(d) Total Number of Incentive Shares

Participants shall hold a total of 30,000,000 shares of the Company through the limited partnerships, which means that four limited partnerships serving as the Employee Incentive Platforms shall hold a total of 30,000,000 shares of the Company, corresponding to the capital of the Company of RMB30 million.

(e) Subscription Price of the Incentive Shares

The subscription price of the incentive shares is based on comprehensive consideration of factors and is determined by the Equity Incentive Management Committee according to the following principles:

The subscription price for the first batch of Participants to subscribe and pay for the incentive shares in 2017 is RMB1.00 per share, and the price for subsequent batches of Participants to subscribe and pay for the incentive shares is calculated as: RMB1.00 * (1+6%*N) ("N" refers to the number of years, "N" is calculated by the calendar year in which such Participants were granted incentive shares for the first time less 2017).

(f) Payment of Incentive Share Price

Participants must subscribe for the incentive shares in cash, and should ensure that their source of funds is genuine and lawful.

The subscription period of the incentive shares shall be determined by the Equity Incentive Management Committee. Participants shall make the corresponding payment for incentive shares fully and timely. Participants who fail to pay or pay less than the corresponding price as stated in the notice of grant issued by the Equity Incentive Management Committee are deemed to give up the opportunity to subscribe for the incentive shares. The Equity Incentive Management Committee has the right to adjust or revoke the qualifications of Participants, and return the paid principal (without interest).

(g) Distribution Method of the Incentive Shares

(1) **Original distribution**: Based on the factors such as the current working years and previous performance, the Equity Incentive Management Committee will determine the scope of Participants and the number of the incentive shares. Unless approved by the Equity Incentive Management Committee, the cumulative incentive shares held by a single natural person through this method shall not exceed 0.5% of the total incentive shares. The employees who have obtained the original distribution shares are regarded as the first batch of Participants, and shall make the payment in installments and are deemed to have obtained the incentive shares at the establishment of the limited partnerships.

(2) **Annual appraisal distribution**: According to the annual appraisal by the Company and associated subsidiaries, the Equity Incentive Management Committee has the right to decide to add new Participants or increase the number of the incentive shares of existing Participants every year.

(3) Unless approved by the Equity Incentive Management Committee, the cumulative incentive shares held by a single natural person shall not exceed 1% of the total incentive shares subscribed through the original distribution and annual appraisal distribution.

(h) Distribution Procedures of the Incentive Shares

The Equity Incentive Management Committee is responsible for the distribution of the incentive shares. In general, the distribution procedures are as follows:

(1) The Equity Incentive Management Committee decides the specific conditions for eligible Participants, the allocation of the incentive shares among different internal departments and divisions, the preliminary grantee list and the number of shares proposed to be granted.

(2) The management of relevant departments of the Company and its subsidiaries is responsible for formulating departmental allocation plans, selecting the Participants from the lists, determining the number of incentive shares, and submitting the departmental allocation plans to the Equity Incentive Management Committee.

(3) The Equity Incentive Management Committee is responsible for making the final decisions about the selected Participants and number of the incentive shares to be granted to each selected Participants.

(4) The selected Participants shall sign relevant legal documents and pay the subscription price in accordance with the arrangement and instructions of the Equity Incentive Management Committee.

(i) Obligations of Participants

The main obligations of Participants are as follows:

(1) The incentive shares held by Participants shall be locked up for a period of 4 years from the effective date of the incentive shares grant agreement (the "**Incentive Shares Grant Agreement**"). During the 4-year lock-up period, Participants are not allowed to transfer the incentive shares to any third party, nor use the incentive shares for guarantee or repayment of debts. During the lockup period, if Participants rescind or terminate the labor or business relationship with the Company or its subsidiaries, Participants shall follow the relevant arrangements to cooperate with the executive partner to go through the relevant procedures for repurchasing their incentive shares. Participants shall voluntarily commit to continuing to hold the incentive shares for more than 1 year after the expiration of the lock-up period.

(2) Individual income tax arising from withdrawal, holding or transfer of the incentive shares, dividends or other activities shall be borne by Participants themselves.

(3) Participants are obliged to abide by other relevant administration measures formulated by Kelun Pharmaceutical and the Company at the general meetings, the meetings of Board of Directors and the meetings of the Equity Incentive Committee.

(j) Arrangements for Participants Resigning during the Lock-up Period

During the lock-up period, if Participants rescind or terminate the labor or service contracts with the Company or its subsidiaries, Participants shall transfer all their incentive shares to the executive partner or its designated third party according to the requirements of the executive partner. Such incentive shares transferred to the executive partner or the designated third party shall be used in accordance with the decision of the Equity Incentive Management Committee.

(k) Overall Repurchase of the Incentive Shares

For the incentive shares held by Participants, Kelun Pharmaceutical or its subsidiaries shall have the right to repurchase relevant incentive shares as a whole according to business needs. Overall repurchase can be done all in one time or in batches.

When conducting the overall repurchase, appropriate methods such as issuing shares to purchase assets, repurchasing in cash, or a combination of these two methods may be adopted. When necessary, an independent third-party financial consultant or valuer could be engaged to assess the fair valuation of the relevant incentive shares.

(l) Adjustment to the Pre-IPO Employee Incentive Scheme

When the number of Participants, fundraising methods and incentive methods may raise regulatory concern or affect the long-term development of the Company's overall interests, Kelun Pharmaceutical and the Company have the right to make corresponding adjustments to the effective documents of the Employee Incentive Scheme and other incentive management measures provided that such adjustments comply with the principles of fairness, justice, win-win and order.

(m) Equity Incentive Management Committee

The Equity Incentive Management Committee is responsible for the daily decision-making, management and execution of employee equity incentive matters. The Equity Incentive Management Committee is composed of five members, elected by and responsible to the Board. The Equity Incentive Management Committee is responsible for the following matters:

(1) handling specific matters such as the selection of Participants, determination of allocated shares, and payment arrangements for the incentive shares in line with the Board;

(2) daily management of agreements and documents;

(3) formulating and revising the rules of procedure of the Equity Incentive Management Committee; and

(4) other matters concerning the Equity Incentive Management Committee.

2. Incentive Shares Granted

As at June 30, 2025, awards corresponding to a total of 22,976,250 Shares, representing approximately 76.59% of the total Shares under the Pre-IPO Employee Incentive Scheme, have been granted to the Participants. Save as disclosed below, no awards have been granted to other connected persons of our Group.

Details of the incentive shares granted to the Directors, Supervisors (from the beginning of the Reporting Period until the abolishment of the Supervisory Committee on June 20, 2025) and senior management under the Pre-IPO Employee Incentive Scheme are set out below:

Name	Position	Relevant Employee Incentive Platforms	Approximate partnership interests of the Employee Incentive Platforms	Approximate number of shares corresponding to awards held by the Employee Incentive Platforms	Approximate shareholding percentage corresponding to awards in the total number of shares in issue as at June 30, 2025
Dr. GE Junyou (葛均友)	Executive Director and general manager	Kelun Huicai	28.00%	2,100,000	0.90%
		Kelun Huizhi	2.00%	150,000	0.06%
Mr. LAI Degui (賴德貴)	Non-executive Director	Kelun Huicai	6.20%	465,000	0.20%
Mr. FENG Hao (馮昊)	Non-executive Director	Kelun Huicai	6.20%	465,000	0.20%
Ms. LIAO Yihong (廖益虹)	Chairperson of the Supervisory Committee and Supervisor (from the beginning of the Reporting Period until the abolishment of the Supervisory Committee on June 20, 2025), and Non-executive Director (since June 20, 2025)	Kelun Huicai	2.27%	170,000	0.07%
Dr. SONG Hongmei (宋宏梅)	Supervisor (from the beginning of the Reporting Period until the abolishment of the Supervisory Committee on June 20, 2025)	Kelun Huizhi	6.13%	460,000	0.20%
Ms. YANG Qiuyan (楊秋艷)	Supervisor (from the beginning of the Reporting Period until the abolishment of the Supervisory Committee on June 20, 2025)	Kelun Huineng	4.27%	320,000	0.14%
Dr. QING Yan (卿燕)	Supervisor (from the beginning of the Reporting Period until the abolishment of the Supervisory Committee on June 20, 2025)	Kelun Huicai	5.33%	400,000	0.17%
Mr. FENG Yi (馮毅)	Deputy general manager, chief strategy officer and senior vice president	Kelun Huicai	16.40%	1,230,000	0.53%
Dr. ZHANG Yiwei (張一偉)	Deputy general manager	Kelun Huineng	4.67%	350,000	0.15%

Name	Position	Relevant Employee Incentive Platforms	Approximate partnership interests of the Employee Incentive Platforms	Approximate number of shares corresponding to awards held by the Employee Incentive Platforms	Approximate shareholding percentage corresponding to awards in the total number of shares in issue as at June 30, 2025
Dr. TAN Xiangyang (譚向陽)	Deputy general manager and chief scientific officer	Kelun Huineng	4.67%	350,000	0.15%
Dr. YU Wensheng (俞文勝)	Deputy General Manager and Chief Science Officer of Small Molecule	Kelun Huineng	1.60%	120,000	0.05%
Dr. JIN Xiaoping (金小平)	Deputy general manager and chief medical officer	Kelun Huicai	8.40%	630,000	0.27%
Mr. ZHOU Zejian (周澤劍)	Chief financial officer and joint company secretary	Kelun Huide	12.67%	950,000	0.41%
Mr. GUO Yong (丁南超)	Deputy General Manager and Chief Marketing Officer	Kelun Huizhi	6.00%	400,000	0.19%
Mr. CHEN Wei (陳巍)	Deputy General Manager and Responsible for Commercial and Marketing Access	Kelun Huide	2.00%	150,000	0.06%

USE OF NET PROCEEDS FROM GLOBAL OFFERING AND OVER-ALLOTMENT OPTION

The Company received net proceeds of approximately HK$1,258.9 million from the Listing. On August 8, 2023, the Company also received net proceeds of approximately HK$196 million from the full exercise of the Over-allotment Option. The total net proceeds amounted to approximately HK$1,454.9 million. The aforementioned net proceeds amounts were arrived at after deducting the underwriting commissions and other estimated expenses payable by the Company in connection with the full exercise of the Over-allotment Option.

The Company has utilized, and expects to utilize, the net proceeds from the Global Offering and the full exercise of the Over-allotment Option in accordance with the intended uses previously disclosed in the Prospectus (following pro rata adjustment based on the actual net proceeds received). For further details, please refer to the section headed "Future Plans and Use of Proceeds" in the Prospectus. As at the end of the Reporting Period, the Group has used the net proceeds from the Global Offering and the full exercise of the Over-allotment Option as follows:

Intended use of net proceeds		Allocation of net proceeds RMB in million	Percentage of total net proceeds	Net proceeds utilized as at December 31, 2024 RMB in million	Net proceeds unutilized as at December 31, 2024 RMB in million	Net proceeds utilized as at the end of the Reporting Period RMB in million	Net proceeds unutilized as at the end of the Reporting Period RMB in million	Expected time of full utilization
(1)	Research, development and commercialization of our Core Products, namely, SKB264 and A166	600.9	45%	600.9	0	600.9	0	–
(2)	Research, development and commercialization of our other key products, including A140, A167, A400 and A223	400.6	30%	376.8	23.8	400.6	0	–
(3)	Continued development of our technology platforms, advance our other existing pipeline assets, and explore and develop new drug candidates	160.2	12%	130.2	30.0	139.5	20.7	Year 2025
(4)	Funding the expansion of our manufacturing capabilities and quality control system to support the anticipated commercialization of our late-stage assets	106.8	8%	99.7	7.1	100.9	5.9	Year 2025
(5)	Working capital and general corporate purposes	66.9	5%	66.1	0.8	66.9	0	–
Total		1,335.4[1]	100%	1,273.7	61.7	1,308.8	26.6	

Note:

(1) Based on the RMB equivalent of aggregate net proceeds from the Global Offering and the full exercise of the Over–allotment Option.

USE OF NET PROCEEDS FROM THE MAY 2024 PLACING

On May 16, 2024, the placing of 3,648,600 H Shares (with an aggregate nominal value of RMB3,648,600) to multiple placees at the placing price of HK$150.00 per Share was completed. The placing price represents a discount of approximately 6.83% to the closing price of HK$161.00 per H Share as quoted on the Stock Exchange on May 7, 2024, being the last trading day prior to the signing of the placing agreement. The placees were individual, professional, institutional and/or other investors. The net proceeds from the May 2024 Placing amounted to approximately HK$541.4 million with the net price of approximately HK$148.39 per H Share. The May 2024 Placing was undertaken to further enlarge the Shareholders' equity base of the Company, optimize the capital structure of the Company and support the healthy and sustainable development of the Company, and the Directors considered it represented a suitable financing option for the Company to raise further funding to support the Group's continuous development and business growth.

The Company has utilized, and expects to utilize, the net proceeds from the May 2024 Placing in accordance with the intended uses previously disclosed in the announcements of the Company dated May 8, 2024 and May 16, 2024 (the "**May 2024 Placing and Subscription Announcements**"). For further details, please refer to the May 2024 Placing and Subscription Announcements.

As at the end of the Reporting Period, the Group has used the net proceeds from the May 2024 Placing as follows:

Intended use of net proceeds		Allocation of net proceeds RMB in million	Percentage of total net proceeds	Net proceeds utilized as at December 31, 2024 RMB in million	Net proceeds unutilized as at December 31, 2024 RMB in million	Net proceeds utilized as at the end of the Reporting Period RMB in million	Net proceeds unutilized as at the end of the Reporting Period RMB in million	Expected time of full utilization
(1)	Research and development, clinical trials, registration filings, manufacturing and commercialization of:							
	(a) our Core Products	172.1	35%	172.1	0	172.1	0	–
	(b) our other products	172.1	35%	165.8	6.3	171.4	0.7	Year 2025
(2)	Enhance our internal research and development technology capabilities, strengthen external collaboration, and expand our product pipeline portfolio	122.9	25%	36.9	86.0	61.3	61.6	Year 2025
(3)	Working capital and general corporate purposes	24.5	5%	11.6	12.9	23.9	0.6	Year 2025
Total		491.6[1]	100%	386.4	105.2	428.7	62.9	

Note:

(1) Based on the RMB equivalent of net proceeds from the May 2024 Placing.

USE OF NET PROCEEDS FROM THE SUBSCRIPTION

On December 17, 2024, the subscription of 4,423,870 Domestic Shares (with an aggregate nominal value of RMB4,423,870) by Kelun Pharmaceutical at the subscription price of RMB136.21 per Share was completed. The subscription price represents a discount of approximately 6.83% to the closing price of HK$161.00 per Share as quoted on the Stock Exchange on May 7, 2024, being the last trading day prior to the signing of the subscription agreement. The net proceeds from the Subscription is approximately RMB601.4 million with a net subscription price of approximately HK$149.63 per Share. The Subscription was undertaken to further support the healthy and sustainable development of the Company, and the Directors considered it represented a suitable financing option for the Company to raise further funding to support the Group's continuous development and business growth.

The Company has utilized, and expects to utilize, the net proceeds from the Subscription in accordance with the intended uses previously disclosed in the May 2024 Placing and Subscription Announcements. For further details, please refer to the May 2024 Placing and Subscription Announcements.

As at the end of the Reporting Period, the Group has used the net proceeds from the Subscription as follows:

Intended use of net proceeds		Allocation of net proceeds RMB in million	Percentage of total net proceeds	Net proceeds utilized as at December 31, 2024 RMB in million	Net proceeds unutilized as at December 31, 2024 RMB in million	Net proceeds utilized as at the end of the Reporting Period RMB in million	Net proceeds unutilized as at the end of the Reporting Period RMB in million	Expected time of full utilization
(1)	Research and development, clinical trials, registration filings, manufacturing and commercialization of:							
	(a) our Core Products	210.5	35%	44.0	166.5	209.2	1.3	Year 2025
	(b) our other products	210.5	35%	53.3	157.2	118.7	91.8	Year 2025
(2)	Enhance our internal research and development technology capabilities, strengthen external collaboration, and expand our product pipeline portfolio	150.3	25%	19.7	130.6	66.6	83.7	Year 2025
(3)	Working capital and general corporate purposes	30.1	5%	30.1	0	30.1	0	–
Total		601.4	100%	147.1	454.3	424.6	176.8	

USE OF NET PROCEEDS FROM THE JUNE 2025 PLACING

On June 12, 2025, the placing of 5,918,000 H Shares (with an aggregate nominal value of RMB5,918,000) to not less than six placees at the placing price of HK$331.80 per Share was completed. The placing price represents a discount of approximately 7.58% to the closing price of HK$359.00 per H Share as quoted on the Stock Exchange on June 4, 2025, being the last trading day prior to the signing of the placing agreement. The placees were individual, professional, institutional and/or other investors. The net proceeds from the June 2025 Placing amounted to approximately HK$1,943.0 million with the net price of approximately HK$328.31 per H Share. The placing was undertaken to further enlarge the Shareholders' equity base of the Company, advance the research and development capabilities of the Company and support the healthy and sustainable development of the Company.

The Company has utilized, and expects to utilize, the net proceeds from the June 2025 Placing in accordance with the intended uses previously disclosed in the announcements of the Company dated June 5, 2025 and June 12, 2025 (the "**June 2025 Placing Announcements**"). For further details, please refer to the June 2025 Placing Announcements.

As at the end of the Reporting Period, the Group has used the net proceeds from the June 2025 Placing as follows:

	Intended use of net proceeds	**Allocation of net proceeds RMB in million**	**Percentage of total net proceeds**	**Net proceeds utilized as at the end of the Reporting Period RMB in million**	**Net proceeds unutilized as at the end of the Reporting Period RMB in million**	**Expected time of full utilization**
(1)	Research and development, clinical trials, registration filings, manufacturing and commercialization of our products	1,421.9	80%	0	1,421.9	Year 2027
(2)	Enhance our internal research and development technology capabilities, strengthen external collaboration, and expand our product pipeline portfolio	266.6	15%	0	266.6	Year 2026
(3)	Working capital and general corporate purposes	88.9	5%	0	88.9	Year 2026
Total		1,777.4[(1)]	100%	0	1,777.4	

Note:

(1) Based on the RMB equivalent of net proceeds from the June 2025 Placing.

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

Review report to the board of directors of
Sichuan Kelun-Biotech Biopharmaceutical Co., Ltd.
(Incorporated in the People's Republic of China with limited liability)

INTRODUCTION

We have reviewed the interim financial report set out on pages 60 to 78 which comprises the consolidated statement of financial position of 四川科倫博泰生物醫藥股份有限公司 (Sichuan Kelun-Biotech Biopharmaceutical Co., Ltd., the "Company") and its subsidiaries (together, the "Group") as of June 30, 2025 and the related consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity and condensed consolidated cash flow statement 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 an interim financial report to be in compliance with the relevant provisions thereof and International Accounting Standard 34, *Interim financial reporting*, issued by the International Accounting Standards Board. The directors are responsible for the preparation and presentation of the interim financial report in accordance with International Accounting Standard 34.

Our responsibility is to form a conclusion, based on our review, on the interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants. A review of the interim financial report consists of making enquiries, 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 report as at June 30, 2025 is not prepared, in all material respects, in accordance with International Accounting Standard 34, *Interim financial reporting*.

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong
August 18, 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the six months ended June 30, 2025 – unaudited
(Expressed in Renminbi ("RMB"))

	Note	Six months ended June 30, 2025 RMB'000	2024 RMB'000
Revenue	3	**950,445**	1,382,791
Cost of sales		**(290,457)**	(306,101)
Gross profit		**659,988**	1,076,690
Other net income	4	**31,787**	94,395
Administrative expenses		**(73,844)**	(65,839)
Selling and distribution expenses		**(178,925)**	(41,151)
Research and development expenses		**(611,539)**	(652,337)
(Loss)/profit from operations		**(172,533)**	411,758
Finance costs	5(a)	**(3,022)**	(2,507)
(Loss)/profit before taxation	5	**(175,555)**	409,251
Income tax	6	**30,380**	(99,025)
(Loss)/profit for the period attributable to equity shareholders of the Company		**(145,175)**	310,226
(Loss)/earnings per share	7		
Basic and diluted (RMB)		**(0.64)**	1.41

The notes on pages 67 to 78 form part of the interim financial report.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended June 30, 2025 – unaudited
(Expressed in RMB)

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
(Loss)/profit for the period	**(145,175)**	310,226
Other comprehensive income for the period (after tax)		
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of an overseas subsidiary	**(2,407)**	1,337
Other comprehensive income for the period	**(2,407)**	1,337
Total comprehensive income for the period attributable to equity shareholders of the Company	**(147,582)**	311,563

The notes on pages 67 to 78 form part of the interim financial report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at June 30, 2025 – unaudited
(Expressed in RMB)

	Note	As at June 30, 2025 RMB'000	As at December 31, 2024 RMB'000
Non-current assets			
Property, plant and equipment	8	**596,456**	594,822
Right-of-use assets	9	**144,898**	163,283
Intangible assets		**1,703**	2,579
Other non-current assets		**17,169**	14,512
		760,226	775,196
Current assets			
Inventories		**200,196**	110,506
Trade and other receivables	10	**459,592**	303,728
Amounts due from related parties	16(c)	**5,058**	2,921
Financial assets measured at fair value through profit or loss ("FVPL")	14(a)	**852,337**	1,448,319
Financial assets measured at fair value through other comprehensive income ("FVOCI")	14(a)	**70,757**	–
Financial assets measured at amortized cost		**488,294**	283,979
Restricted deposits	11	**13,634**	6,850
Cash and cash equivalents	11	**3,102,792**	1,336,503
		5,192,660	3,492,806
Current liabilities			
Trade and other payables	12	**457,148**	446,832
Amounts due to related parties	16(c)	**27,436**	8,792
Contract liabilities		**261,808**	312,375
Lease liabilities		**43,960**	41,842
		790,352	809,841
Net current assets		**4,402,308**	2,682,965
Total assets less current liabilities		**5,162,534**	3,458,161

The notes on pages 67 to 78 form part of the interim financial report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at June 30, 2025 – unaudited
(Expressed in RMB)

	Note	**As at June 30, 2025 RMB'000**	As at December 31, 2024 RMB'000
Non-current liabilities			
Lease liabilities		**87,122**	84,905
Deferred income		**61,122**	64,595
		148,244	149,500
NET ASSETS		**5,014,290**	3,308,661
CAPITAL AND RESERVES			
Share capital	13	**233,186**	227,268
Reserves		**4,781,104**	3,081,393
TOTAL EQUITY		**5,014,290**	3,308,661

Approved and authorised for issue by board of directors on August 18, 2025.

Ge Junyou
Executive Director

Zhou Zejian
Chief Financial Officer

The notes on pages 67 to 78 form part of the interim financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended June 30, 2025 – unaudited
(Expressed in RMB)

	Share capital RMB'000	Capital reserves RMB'000	Exchange reserves RMB'000	Accumulated losses RMB'000	Total RMB'000
Balance at January 1, 2024	219,196	6,161,075	5,542	(4,056,316)	2,329,497
Changes in equity for the six months ended June 30, 2024					
Profit for the period	–	–	–	310,226	310,226
Exchange differences on translation of financial statements of overseas subsidiaries	–	–	1,337	–	1,337
Total comprehensive income	–	–	1,337	310,226	311,563
Issuance of new shares	3,649	489,066	–	–	492,715
Equity-settled share-based payment	–	75,410	–	–	75,410
Balance at June 30, 2024 and July 1, 2024	222,845	6,725,551	6,879	(3,746,090)	3,209,185

	Share capital RMB'000	Capital reserves RMB'000	Exchange reserves RMB'000	Accumulated losses RMB'000	Total RMB'000
Balance at July 1, 2024	222,845	6,725,551	6,879	(3,746,090)	3,209,185
Changes in equity for the six months ended December 31, 2024					
Loss for the period	–	–	–	(576,992)	(576,992)
Exchange differences on translation of financial statements of overseas subsidiaries	–	–	2,200	–	2,200
Total comprehensive income	–	–	2,200	(576,992)	(574,792)
Issuance of new shares	4,423	596,970	–	–	601,393
Equity-settled share-based payment	–	72,875	–	–	72,875
Balance at December 31, 2024	227,268	7,395,396	9,079	(4,323,082)	3,308,661

The notes on pages 67 to 78 form part of the interim financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended June 30, 2025 – unaudited
(Expressed in RMB)

	Note	Share capital RMB'000	Capital reserves RMB'000	Exchange reserves RMB'000	Accumulated losses RMB'000	Total RMB'000
Balance at January 1, 2025		**227,268**	**7,395,396**	**9,079**	**(4,323,082)**	**3,308,661**
Changes in equity for the six months ended June 30, 2025						
Loss for the period		**–**	**–**	**–**	**(145,175)**	**(145,175)**
Exchange differences on translation of financial statements of overseas subsidiaries		**–**	**–**	**(2,407)**	**–**	**(2,407)**
Total comprehensive income		**–**	**–**	**(2,407)**	**(145,175)**	**(147,582)**
Issuance of new shares	13(a)	**5,918**	**1,771,516**	**–**	**–**	**1,777,434**
Equity-settled share-based payment		**–**	**75,777**	**–**	**–**	**75,777**
Balance at June 30, 2025		**233,186**	**9,242,689**	**6,672**	**(4,468,257)**	**5,014,290**

The notes on pages 67 to 78 form part of the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the six months ended June 30, 2025 – unaudited
(Expressed in RMB)

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Operating activities		
Net cash used in operating activities	**(373,194)**	(68,912)
Investing activities		
Payment for the purchase of property, plant and equipment	**(41,302)**	(35,218)
Proceeds from disposal of property, plant and equipment	**–**	16
Payment for intangible assets	**(54)**	(2,194)
Payment for investment in financial assets measured at FVPL	**(2,240,000)**	(950,000)
Proceeds from redemption of financial assets measured at FVPL	**2,849,010**	1,219,427
Payment for investment in financial assets measured at amortized cost	**(1,873,856)**	(103,102)
Proceeds from maturity of financial assets measured at amortized cost	**1,674,005**	50,801
Net cash generated from investing activities	**367,803**	179,730
Financing activities		
Net proceeds from issuance of new shares	**1,777,434**	492,847
Capital element of lease rentals paid	**(2,811)**	(20,368)
Interest element of lease rentals paid	**(243)**	(2,454)
Net cash generated from financing activities	**1,774,380**	470,025
Net increase in cash and cash equivalents	**1,768,989**	580,843
Cash and cash equivalents at January 1	**1,336,503**	1,528,774
Effect of foreign exchange rate changes	**(2,700)**	20,679
Cash and cash equivalents at June 30	**3,102,792**	2,130,296

The notes on pages 67 to 78 form part of the interim financial report.

1 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard ("IAS") 34, *Interim financial reporting*, issued by the International Accounting Standards Board ("IASB"). It was authorised for issue on August 18, 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with IFRS Accounting Standards.

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA. KPMG's independent review report to the Board of Directors is included on page 59.

2 CHANGES IN ACCOUNTING POLICIES

The Group has applied the amendments to IAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the IASB to this interim financial report for the current accounting period. The amendments do not have a material impact on this interim report as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

(Expressed in thousands of RMB, unless otherwise indicated)

3 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are the research and development, manufacturing and commercialization of novel drugs in oncology, immunology and other therapeutic areas.

Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major service lines is as follows:

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Revenue from license and collaboration agreements	**628,015**	1,377,978
Revenue from provision of research and development service	**12,674**	4,813
Revenue from sales of pharmaceutical products	**309,756**	–
	950,445	1,382,791

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is as follows:

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Disaggregated by timing of revenue recognition		
Point in time	**603,791**	929,313
Over time	**346,654**	453,478
	950,445	1,382,791

(b) Segment reporting

(i) Segment information

The Group manages its businesses as a whole by the most senior executive management for the purposes of resource allocation and performance assessment. The Group's chief operating decision maker is the chief executive officer of the Group who reviews the Group's consolidated results of operations in assessing performance of and making decisions about allocations to this segment.

Accordingly, no reportable segment information is presented.

(Expressed in thousands of RMB, unless otherwise indicated)

3 REVENUE AND SEGMENT REPORTING (continued)

(b) Segment reporting (continued)

(ii) Geographic information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, right-of-use assets, intangible assets and other non-current assets ("specified non-current assets"). The geographical location of customers is based on the location at which the customers are registered. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of property, plant and equipment, right-of-use assets and the location of the operation to which they are allocated, in the case of intangible assets and other non-current assets.

Revenue from external customers

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
The PRC (place of domicile)	**322,430**	26,549
The USA	**477,604**	1,356,242
Switzerland	**150,411**	–
	950,445	1,382,791

Non-current assets

	As at June 30, 2025	As at December 31, 2024
	RMB'000	RMB'000
The PRC	**760,174**	775,041
The USA	**52**	155
	760,226	775,196

(Expressed in thousands of RMB, unless otherwise indicated)

4 OTHER NET INCOME

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Interest income from bank deposits	**8,238**	12,509
Interest income from financial assets measured at amortized cost	**4,464**	5,155
Net realized and unrealized gain on financial assets measured at FVPL (note 14)	**13,028**	7,265
Net foreign exchange (losses)/gains	**(1,636)**	19,040
Government grants	**12,555**	50,909
Net losses on disposal of property, plant and equipment	**(33)**	(46)
Others	**(4,829)**	(437)
	31,787	94,395

5 (LOSS)/PROFIT BEFORE TAXATION

(Loss)/profit before taxation is arrived at after charging:

(a) Finance costs

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Interest expenses on lease liabilities	**3,022**	1,140
Interest expenses on bills payable	**–**	1,367
	3,022	2,507

(b) Other items

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Amortization cost of intangible assets	**930**	1,077
Depreciation charge		
– property, plant and equipment	**25,448**	21,933
– right-of-use assets	**22,752**	21,516
Research and development expenses	**611,539**	652,337
Cost of inventories recognized as an expense:		
– Cost of sales	**22,434**	17,270
– Research and development expenses	**27,877**	109,610

(Expressed in thousands of RMB, unless otherwise indicated)

6 INCOME TAX

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Current tax		
Provision for the period		
– The PRC Corporate Income Tax	**–**	–
– Withholding Tax	**16,335**	99,025
– Withholding Tax refunded	**(46,715)**	–
	(30,380)	99,025

(i) PRC Corporate Income Tax

Effective from January 1, 2008, the PRC statutory income tax rate is 25% under the PRC Corporate Income Tax Law. The Group's subsidiaries in the PRC are subject to PRC income tax at 25% unless otherwise specified.

According to the PRC Corporate Income Tax Law and its relevant regulations, entities that qualified as high-technology enterprise are entitled to a preferential income tax rate of 15%. The Company obtained its certificate of high-technology enterprise on December 3, 2020 and October 16, 2023 respectively and is entitled to preferential income tax of 15% from 2020 to 2026.

(ii) Hong Kong Profit Tax

The provision for Hong Kong Profits Tax for 2025 is calculated at 16.5% (2024: 16.5%) of the estimated assessable profits for the period. There were no assessable profits generating from the subsidiary incorporated in Hong Kong of the Group during the six months ended as at June 30, 2025.

(iii) United States Withholding Tax

Pursuant to US Income Tax laws and regulations and the agreement between the government of the People's Republic of China and the USA for avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income (中華人民共和國政府和美利堅合眾國政府關於對所得避免雙重徵税和防止偷漏税的協定), a 10% US federal withholding tax is charged on royalties paid pursuant to license and collaboration agreements entered between the Company and a US company.

In 2025, Internal Revenue Service refunded USD6,500 thousand (equivalent to RMB46,715 thousand) of withholding tax to the Company pursuant to relevant US federal income tax laws and regulations.

(Expressed in thousands of RMB, unless otherwise indicated)

7 LOSS/EARNINGS PER SHARE

(a) Basic loss/earnings per share

The calculation of basic loss/earnings per share is based on the loss/profit for the period attributable to ordinary equity shareholders of the Company and the weighted average number of ordinary shares in issue during the period, calculated as follows.

(i) Loss/profit attributable to ordinary equity shareholders of the Company used in basic loss/earnings per share calculation:

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
(Loss)/profit for the period attributable to ordinary equity shareholders of the Company for the purpose of basic (loss)/profit per share	**(145,175)**	310,226

(ii) *Weighted average number of shares*

	Six months ended June 30,	
	2025	2024
Issued ordinary shares at January 1	**227,267,969**	219,195,499
Effect of issuance of new shares	**588,530**	902,126
Weighted average number of ordinary shares at June 30	**227,856,499**	220,097,625

(b) Diluted loss/earnings per share

No adjustment has been made to the basic loss/earnings per share presented for six months ended 30 June 2025 and 2024 as the Group had no potentially dilutive ordinary shares in issue during those periods.

8 PROPERTY, PLANT AND EQUIPMENT

Acquisitions and disposals of owned assets

During the six months ended June 30, 2025, the Group acquired items of property, plant and equipment ("PPE") with a cost of RMB27,115,000 (for the six months ended June 30, 2024: RMB16,531,000). Items of PPE with a net book value of RMB33,000 (for the six months ended June 30, 2024: RMB93,000) were disposed of during the six months ended June 30, 2025, resulting in a net loss on disposal of RMB33,000 (net loss of RMB46,000 for six months ended June 30, 2024).

(Expressed in thousands of RMB, unless otherwise indicated)

9 RIGHT-OF-USE ASSETS

For the six months ended June 30, 2025, additions to right-of-use assets were RMB4,368,000 (for the six months ended June 30, 2024: nil).

10 TRADE AND OTHER RECEIVABLES

	As at June 30, 2025 RMB'000	As at December 31, 2024 RMB'000
Trade receivables	**202,042**	57,842
Other receivables	**9,525**	12,083
Value Added Tax ("VAT") recoverable	**188,766**	171,243
Prepaid tax	**112**	2,085
Prepayments	**59,147**	60,475
	459,592	303,728

(a) Ageing analysis

As at the end of each reporting period, the ageing analysis of trade receivables (which are included in trade and other receivables), based on the invoice date, is as follows:

	As at June 30, 2025 RMB'000	As at December 31, 2024 RMB'000
Within 3 months (inclusive)	**202,042**	57,842

Trade debtors are due within 60 days from the date of billing.

11 CASH AND CASH EQUIVALENTS

		As at June 30, 2025 RMB'000	As at December 31, 2024 RMB'000
Cash at bank		**3,116,426**	1,343,353
Less: restricted bank deposits	(i)	**(13,634)**	(6,850)
Cash and cash equivalents in the consolidated statements of financial position		**3,102,792**	1,336,503

(i) Restricted bank deposits are pledged deposits for issuance of bank acceptance notes with the maturity date within six months. The pledged deposits will be released upon the settlement of relevant bills payable.

(Expressed in thousands of RMB, unless otherwise indicated)

12 TRADE AND OTHER PAYABLES

	As at June 30, 2025 RMB'000	As at December 31, 2024 RMB'000
Trade payables	**297,871**	246,687
Other payables	**9,264**	2,539
Bills payable	**39,453**	35,810
Accrued payroll and benefits	**106,313**	156,341
Other taxes payable	**4,247**	5,455
	457,148	446,832

As at the end of each reporting period, the ageing analysis of trade payables and bills payable (which are included in trade and other payables), based on the invoice date, is as follows:

	As at June 30, 2025 RMB'000	As at December 31, 2024 RMB'000
Within 1 year	**290,479**	214,208
1 to 2 years	**13,074**	53,439
2 to 3 years	**31,177**	13,993
More than 3 years	**2,594**	857
	337,324	282,497

13 CAPITAL, RESERVES AND DIVIDENDS

(a) Capital and reserves

On June 12, 2025, the Company issued an aggregate of 5,918,000 new H shares at an offering price of HK$331.8 per share pursuant to a placing agreement entered into by the Company and the placing agents. The net proceeds (after deducting the commissions and expenses) from the placing amounted to approximately HK$1,943.0 million (equivalent to RMB1,777,434 thousand).

Accordingly, the Company recorded RMB5,918 thousand in share capital and the remaining RMB1,771,516 thousand in capital reserves.

(b) Dividends

The directors of the Company did not propose the distribution of any interim dividend during the Reporting Period.

(Expressed in thousands of RMB, unless otherwise indicated)

14 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

(a) Financial assets measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

The following table presents the Group's financial assets that are measured at fair value at the end of each reporting period:

	As at June 30, 2025 RMB'000	As at December 31, 2024 RMB'000
Level 3		
Financial assets measured at FVPL		
Wealth management products issued by banks	**852,337**	1,448,319
Financial assets measured at FVOCI		
Unlisted investment (note)	**70,757**	–

Note: During the six months ended June 30, 2025, the Group subscribed 1,594,897 series A preferred shares in Windward Bio Group AG at a consideration of USD10 million pursuant to the Series A Junior Preferred Shares Delivery Agreement entered into by the Company, Windward Bio AG and a third party. The series A preferred shares are measured at fair value through other comprehensive income.

Information about Level 3 fair value measurements

	Valuation techniques	**Significant unobservable inputs**
Investment in wealth management products	Discount cash flow method	Interest return rate
Unlisted investment	Recent transaction price	Discount for lack of marketability

(Expressed in thousands of RMB, unless otherwise indicated)

14 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

(a) Financial assets measured at fair value (continued)

Fair value hierarchy (continued)

During the six months ended June 30, 2024 and 2025, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognize transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

The movements during the reporting periods in the balance of these Level 3 financial assets of the Group at fair value through profit or loss are as follows:

	2025	2024
	RMB'000	RMB'000
Financial assets measured at FVOCI		
At January 1	**–**	–
Assets acquired	**70,757**	–
At June 30	**70,757**	–
Financial assets measured at FVPL		
At January 1	**1,448,319**	633,705
Payment for purchases	**2,240,000**	950,000
Changes in fair value recognized in profit or loss during the period	**13,028**	7,265
Redemption	**(2,849,010)**	(1,219,427)
At June 30	**852,337**	371,543

(b) Fair value of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortized cost were not materially different from their fair values as at December 31, 2024 and June 30, 2025.

15 COMMITMENTS

Capital commitments outstanding at June 30, 2025 not provided for in the interim financial report were as follows:

	As at June 30, 2025	As at December 31, 2024
	RMB'000	RMB'000
Contracted for construction in progress	**5,397**	3,600

(Expressed in thousands of RMB, unless otherwise indicated)

16 MATERIAL RELATED PARTY TRANSACTIONS

(a) Identify of related parties

Name of party	Relationship with the Group
Mr. Liu GeXin (劉革新)	Ultimate controlling shareholder
Kelun Pharmaceutical (四川科倫藥業股份有限公司) together with its subsidiaries ("Kelun Group")	Immediate holding company
China Resources Kelun (Sichuan) Medicine Limited (華潤科倫醫藥(四川)有限公司) together with its subsidiaries ("China Resources Kelun Group") (Previously known as "Sichuan Kelun Medicine & Trade Group Co., Ltd. (四川科倫醫藥貿易集團有限公司)")	An associate of Mr. Liu Sichuan, a Director of the Company
Sichuan Kelun Doosan Biotechnology Co., Ltd. ("Kelun Doosan") (四川科倫鬥山生物技術有限公司)	A joint venture of Kelun Pharmaceutical
Beijing Yaoshi Technology Co., Ltd. ("Beijing Yaoshi") (北京藥識科技有限公司)	Company controlled by a Director of the Company
Beijing Kuanjian Technology Co., Ltd. ("Beijing Kuanjian") (北京寬見科技有限公司)	Company controlled by the immediate family member of a Director of the Company

(b) Significant related party transactions

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Trade related:		
Provision of R&D services, related equipment and goods to:		
Kelun Group	**4,069**	2,778
Procurement of R&D services from:		
Kelun Group	**4,847**	2,250
Sale of goods to:		
China Resources Kelun Group	**2,060**	–
Procurement of goods from:		
Kelun Group	**4,182**	10,100
China Resources Kelun Group	**204**	2,316
	4,386	12,416
Procurement of PPE from:		
Kelun Group	**128**	5,522
China Resources Kelun Group	**–**	194
	128	5,716
Receiving other miscellaneous services from:		
Kelun Group	**10,354**	7,830
Beijing Yaoshi	**340**	–
Beijing Kuanjian	**11**	–
	10,705	7,830
Interest expense on lease liabilities to Kelun Group	**2,779**	960

(Expressed in thousands of RMB, unless otherwise indicated)

16 MATERIAL RELATED PARTY TRANSACTIONS (continued)

(c) Balance with related parties

	As at June 30, 2025 RMB'000	As at December 31, 2024 RMB'000
Amounts due from:		
– Trade Related:		
Kelun Group	**3,556**	2,193
Kelun Doosan	**–**	157
China Resources Kelun Group	**1,502**	571
	5,058	2,921
Amounts due to:		
– Trade Related:		
Kelun Group	**27,270**	8,625
Kelun Doosan	**166**	114
China Resources Kelun Group	**–**	53
	27,436	8,792
Lease liabilities due to:		
Kelun Group	**121,147**	118,369

DEFINITIONS

"ADC(s)"	antibody drug conjugate(s)
"ADCC"	antibody-dependent cell-mediated cytotoxicity
"AIDD"	AI-driven drug design
"Articles of Association"	the articles of association of the Company
"ASCO"	American Society of Clinical Oncology
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Audit Committee"	the audit committee of the Board
"BC"	breast cancer
"BICR"	blinded independent central review
"Board of Directors" or "Board"	the board of Directors
"bsAb(s)"	bispecific antibodies
"bsADC"	bispecific ADC(s)
"CBCS"	China Anti-Cancer Association Committee of Breast Cancer Society
"CC"	cervical cancer
"CDE"	Center for Drug Evaluation
"CG Code"	the "Corporate Governance Code" as contained in Appendix C1 to the Listing Rules
"cGMP"	current good manufacturing practice
"China" or "PRC"	the People's Republic of China, which for the purpose of this Interim Report and for geographical reference only, excludes Hong Kong, Macau and Taiwan
"CLDN18.2"	claudin 18.2, a member of the Claudin protein family
"CMC"	chemistry, manufacturing and controls, also commonly referred to as process development, which covers the various procedures used to assess the physical and chemical characteristics of drug products, and to ensure their quality and consistency during manufacturing

DEFINITIONS

"Company", "our Company", "the Company", "we" or "us"	Sichuan Kelun-Biotech Biopharmaceutical Co., Ltd. (四川科倫博泰生物醫藥股份有限公司), a joint stock company established in the PRC with limited liability on November 22, 2016 and the H Shares of which are listed on the Stock Exchange (stock code: 6990) and which includes its subsidiaries (from time to time) where the context so requires
"Controlling Shareholders"	has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to Kelun Pharmaceutical, Kelun International (科倫國際發展有限公司), the Employee Incentive Platforms and Mr. LIU Gexin
"COPD"	chronic obstructive pulmonary disease
"Core Products"	has the meaning ascribed thereto in Chapter 18A of the Listing Rules; for the purpose of this report, our Core Products refer to sac-TMT and A166
"CPS"	combined positive score
"CRC"	colorectal cancer
"CRO"	contract research organization
"CRPC"	castration-resistant prostate cancer
"CSCO"	Chinese Society of Clinical Oncology
"CSOBO"	Chinese Medical Association Chinese Society of Oncology – Breast Oncology
"DAC(s)"	degrader-antibody conjugate(s)
"DAR"	drug-to-antibody ratio, the average number of drugs conjugated to the antibodies
"DC(s)"	drug conjugate(s)
"DCR"	disease control rate, the total proportion of patients who demonstrate a response to treatment, equal to the sum of complete responses (CR), partial responses (PR) and stable disease (SD)
"Director(s)"	the director(s) of the Company
"Domestic Share(s)"	ordinary shares in the share capital of our Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB
"DoR"	duration of response

"EC"	endometrial carcinoma
"EGFR"	epidermal growth factor receptor
"Ellipses Pharma"	Ellipses Pharma Limited
"Employee Incentive Platforms"	Kelun Huicai, Kelun Huide, Kelun Huineng and Kelun Huizhi
"ESMO"	European Society for Medical Oncology
"ET"	endocrine therapy
"FAS"	full analysis set
"FDA"	the United States Food and Drug Administration
"FIC"	first-in-class
"first/second/third-line" or "1/2/3L"	the first/second/third line treatment
"Frost & Sullivan"	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., an independent market, research and consulting company
"FXI/FXIa"	factor XI, a type of blood protein playing a role in aiding the blood to clot. Factor XIa, one of the enzymes of the coagulation cascade. FXI is the zymogen form of FXIa
"GC"	gastric cancer
"GEA"	gastroesophageal adenocarcinoma
"GEJC"	gastroesophageal junction cancer
"GI"	gastrointestinal
"Global Offering"	the Hong Kong Public Offering and the International Offering (each as defined in the Prospectus)
"GMP"	the Good Manufacturing Practice of Medical Devices (《醫療器械生產質量管理規範》)
"GP"	gemcitabine and cisplatin
"Greater China"	the PRC, Hong Kong, Macau and Taiwan

DEFINITIONS

"Group", "our Group" or "the Group"	the Company and its subsidiaries
"GU"	genitourinary
"H Share(s)"	overseas listed foreign share(s) in the ordinary share capital of the Company with nominal value of RMB1.00 each, which are listed on the Stock Exchange
"H Share Registrar"	Computershare Hong Kong Investor Services Limited
"Harbour BioMed"	Harbour BioMed Therapeutics Limited, an indirect wholly owned subsidiary of HBM Holdings Limited (和鉑醫藥控股有限公司), a company listed on the Stock Exchange (stock code: 02142)
"HER2"	human epidermal growth factor receptor 2
"HK$" or "HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"HNSCC"	head and neck squamous cell carcinoma
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"HR"	hormone receptor
"iADC(s)"	immunostimulatory ADC(s)
"IFRS"	International Financial Reporting Standards
"IND"	investigational new drug or investigational new drug application, also known as clinical trial application in China or the U.S.
"INV"	investigator
"Interim Results Announcement"	the interim results announcement for the six months ended June 30, 2025 of the Company dated August 18, 2025
"JAK1/2"	Janus kinase 1 or Janus kinase 2
"June 2025 Placing"	the placing of 5,918,000 new H Shares by the June 2025 Placing Agents on the terms and subject to the conditions of the placing agreement entered into between the Company and the June 2025 Placing Agents on June 5, 2025

"June 2025 Placing Agents"	Goldman Sachs (Asia) L.L.C. and Citigroup Global Markets Limited
"Kelun Group"	Kelun Pharmaceutical and all of its subsidiaries
"Kelun Huicai"	Chengdu Kelun Huicai Enterprise Management Center Limited Partnership (成都科倫匯才企業管理中心(有限合夥)), a limited partnership established in the PRC on August 26, 2016, of which Kelun Jingchuan is the sole general partner, one of our Employee Incentive Platforms
"Kelun Huide"	Chengdu Kelun Huide Enterprise Management Center Limited Partnership (成都科倫匯德企業管理中心(有限合夥)), a limited partnership established in the PRC on August 26, 2016, of which Kelun Jingchuan is the sole general partner, one of our Employee Incentive Platforms
"Kelun Huineng"	Chengdu Kelun Huineng Enterprise Management Center Limited Partnership (成都科倫匯能企業管理中心(有限合夥)), a limited partnership established in the PRC on August 26, 2016, of which Kelun Jingchuan is the sole general partner, one of our Employee Incentive Platforms
"Kelun Huizhi"	Chengdu Kelun Huizhi Enterprise Management Center Limited Partnership (成都科倫匯智企業管理中心(有限合夥)), a limited partnership established in the PRC on August 26, 2016, of which Kelun Jingchuan is the sole general partner, one of our Employee Incentive Platforms
"Kelun International"	Kelun International Development Co., Limited (科倫國際發展有限公司), a wholly-owned subsidiary of Kelun Pharmaceutical incorporated in Hong Kong, one of our Controlling Shareholders upon Listing
"Kelun Jingchuan"	Chengdu Kelun Jingchuan Technology Co., Ltd. (成都科倫晶川科技有限公司), a limited liability company established under the laws of PRC on August 17, 2016 and is a wholly-owned subsidiary of Kelun Pharmaceutical
"Kelun Pharmaceutical"	Sichuan Kelun Pharmaceutical Co., Ltd. (四川科倫藥業股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002422), one of our Controlling Shareholders
"Kelun Research Institute"	Sichuan Kelun Pharmaceutical Research Institute Co., Ltd. (四川科倫藥物研究院有限公司), a limited liability company established under the laws of PRC on October 16, 1998 and a wholly-owned subsidiary of Kelun Pharmaceutical
"KLUS PHARMA"	KLUS PHARMA INC., a corporation with limited liability incorporated in the State of New Jersey, the United States on October 31, 2014 and a wholly-owned subsidiary of our Company

"KOR"	kappa-opioid receptor, one major type of opioid receptor, which are ubiquitously distributed in the central and peripheral nervous system, with a major role in the induction, transmission and perception of sensations such as pain and itch
"LC"	lung cancer
"Listing"	the listing of our H Shares on the Stock Exchange on July 11, 2023
"Listing Date"	July 11, 2023
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"mAb(s)"	monoclonal antibody(ies)
"Macau"	the Macau Special Administrative Region of the PRC
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange, which is independent from and operated in parallel with Growth Enterprise Market of the Stock Exchange
"May 2024 Placing"	the placing of 3,648,600 new H Shares by the May 2024 Placing Agents on the terms and subject to the conditions of the placing agreement entered into between the Company and the May 2024 Placing Agents on May 8, 2024
"May 2024 Placing Agents"	Goldman Sachs (Asia) L.L.C., Citigroup Global Markets Limited and J.P. Morgan Securities (Asia Pacific) Limited
"mCRC"	metastatic colorectal cancer
"MKI"	multikinase inhibitor
"Model Code"	the "Model Code for Securities Transactions by Directors of Listed Issuers" set out in Appendix C3 to the Listing Rules
"MSD"	Merck Sharp & Dohme LLC together with its affiliates
"MTC"	medullary thyroid cancer
"NDA"	new drug application
"NMPA"	the 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總局)

"NPC"	nasopharyngeal cancer
"NR"	not reached
"NSCLC"	non-small cell lung cancer
"OC"	ovarian cancer
"ORR"	objective response rate, the proportion of patients with a complete response or partial response to treatment
"OS"	overall survival, the length of time from either the date of diagnosis or the start of treatment for a disease that patients diagnosed with the disease are still alive, used in clinical trials as a measurement of a drug's effectiveness
"Over-allotment Option"	the over-allotment option which had been granted by the Company to the relevant underwriters to allot and issue up to an aggregate of 3,366,900 additional H Shares, representing 15% of the offer shares initially available under the Global Offering
"pCR"	pathological complete response
"PD-1"	programmed cell death protein 1
"PD-L1"	PD-1 ligand 1
"PD-(L)1"	PD-1 or PD-L1
"PFS"	progression-free survival, the length of time during and after the treatment that a patient lives without the disease getting worse
"PRC Company Law"	the Company Law of the People's Republic of China (中華人民共和國公司法)
"Pre-IPO Employee Incentive Scheme"	the pre-IPO employee incentive scheme of the Company approved and adopted by the Board in 2016, as amended from time to time
"Prospectus"	the prospectus issued by the Company dated June 29, 2023
"PROTAC"	proteolysis targeting chimera, a heterobifunctional small molecule composed of two active domains and a linker, capable of removing specific unwanted proteins
"RAS"	rat sarcoma virus
"RDC(s)"	radionuclide drug conjugate(s)
"Reporting Period"	the six months ended June 30, 2025

"RET"	rearranged during transfection, a proto-oncogene, i.e., a gene that promotes cancer formation when altered by mutations or rearrangements. RET alterations have been reported to be a major oncogenic driver in about 2% of all cancers, most notably in NSCLC and MTC
"RMB"	Renminbi, the lawful currency of the PRC
"RPSFT"	rank-preserving structural failure time
"SFO"	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (as amended from time to time)
"Share(s)"	ordinary shares in the share capital of our Company with a nominal value of RMB1.00 each
"Shareholder(s)"	holder(s) of the Shares
"Sichuan Konas"	Sichuan Konas Pharmaceutical Co., Ltd. (四川科納斯製藥有限公司), a limited liability company established in the PRC on September 30, 2016 and a wholly-owned subsidiary of our Company
"STING"	stimulator of interferon genes
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscription"	the subscription of 4,423,870 new Domestic Shares by Kelun Pharmaceutical (as subscriber) pursuant to the terms and conditions of the subscription agreement entered into between the Company and Kelun Pharmaceutical on May 8, 2024
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules
"substantial shareholder(s)"	has the meaning ascribed thereto under the Listing Rules
"Supervisor(s)"	member(s) of the Supervisory Committee of the Company, which was abolished on June 20, 2025
"Supervisory Committee"	the supervisory committee of the Company, which was abolished on June 20, 2025
"TAA"	tumor-associated antigen, an antigen with elevated level on tumor cells and lower levels on normal cells

"TAA-IO bsAbs"	tumor-associated-immuno-oncology bispecific antibodies, a type of bispecific antibodies with dual targeting ability against a certain tumor-associated antigen on tumor cells and a certain immune-oncology antigen involved in antitumor immune response, such as an immune checkpoint protein
"TKI"	tyrosine kinase inhibitor
"TNBC"	triple-negative breast cancer
"TPC"	treatment of physician's choice
"TROP2"	human trophoblast cell-surface antigen 2, which is a transmembrane protein frequently over-expressed in many types of solid tumors
"TSLP"	thymic stromal lymphopoietin
"UC"	urothelial cancer
"Unlisted Foreign Share(s)"	unlisted ordinary Share(s) issued by the Company, with a nominal value of RMB1.00 each, which are subscribed for in a currency other than RMB
"Unlisted Share(s)"	Domestic Share(s) and/or Unlisted Foreign Share(s)
"US" or "U.S." or "United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"US$" or "USD"	United States dollars, the lawful currency of the United States
"Windward Bio"	Windward Bio AG
"%"	per cent

KELUN-BIOTECH

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