Incorporated in the Cayman Islands
with limited liability

HKEX: 9688

NASDAQ: ZLAB

2026 Interim Report

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Directors

Dr. Samantha Du *(Chairperson and Chief Executive Officer)*

Mr. Leon O. Moulder, Jr. *(re-designated as Director with effect from March 5, 2026)*

Independent Directors

Dr. John Diekman *(Lead Independent Director)*

Dr. Richard Gaynor

Ms. Nisa Leung

Mr. William Lis

Mr. Scott W. Morrison

Mr. Leon O. Moulder, Jr. *(ceased to be an independent director with effect from 5 March 2026)*

Mr. Michel Vounatsos

Mr. Peter Wirth

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN MAINLAND CHINA

Building B
899 Halei Road
Pudong, Shanghai, 201203
P.R. China

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE UNITED STATES

314 Main Street
4th Floor, Suite 100
Cambridge, MA 02142
USA

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Island Place Tower
510 King's Road
North Point, Hong Kong
P.R. China

REGISTERED OFFICE

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P.O. Box 472
George Town
Grand Cayman KY1-1106
Cayman Islands

PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT

International Corporation Services Ltd
Harbour Place, 2nd Floor
103 South Church Street
P.O. Box 472
George Town
Grand Cayman KY1-1106
Cayman Islands

HONG KONG SHARE REGISTRAR AND TRANSFER AGENT

Computershare Hong Kong Investor Services Limited
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183 Queen's Road East
Wanchai, Hong Kong
P.R. China

AUTHORIZED REPRESENTATIVES

Dr. Samantha Du
Building B
899 Halei Road
Pudong, Shanghai, 201203
P.R. China

Mr. F. Ty Edmondson
314 Main Street
4th Floor, Suite 100
Cambridge, MA 02142
USA

AUDIT COMMITTEE

Mr. Scott W. Morrison *(Chairperson)*
Mr. William Lis
Mr. Peter Wirth

COMPENSATION COMMITTEE

Mr. Peter Wirth *(Chairperson)*
Dr. John Diekman
Dr. Richard Gaynor

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE

Dr. John Diekman *(Chairperson)*
Ms. Nisa Leung
Mr. Michel Vounatsos
Mr. Peter Wirth

RESEARCH AND DEVELOPMENT COMMITTEE

Dr. Richard Gaynor *(Chairperson)*
Dr. Samantha Du
Mr. Leon O. Moulder, Jr.
Mr. Michel Vounatsos

COMMERCIAL COMMITTEE

Mr. Michel Vounatsos *(Chairperson)*
Mr. William Lis
Mr. Leon O. Moulder, Jr.

COMPANY SECRETARY

Mr. F. Ty Edmondson
314 Main Street
4th Floor, Suite 100
Cambridge, MA 02142
USA

AUDITORS

As to Hong Kong financial reporting audit
KPMG
Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance

As to United States financial reporting audit
KPMG LLP
A public accounting firm registered with the U.S. Public Company Accounting Oversight Board

STOCK CODES

HKEX: 9688
NASDAQ: ZLAB

COMPANY WEBSITE

http://www.zailaboratory.com/

FORWARD-LOOKING STATEMENTS

This report contains certain forward-looking statements, including statements relating to our strategy and plans; potential of and expectations for our business, commercial products, and pipeline programs; the market for our commercial and pipeline products; capital allocation and investment strategy; clinical development programs and related clinical trials; clinical trial data, data readouts, and presentations; risks and uncertainties associated with drug development and commercialization; regulatory discussions, submissions, filings, and approvals and the timing thereof; the potential benefits, safety, and efficacy of our products and product candidates and those of our collaboration partners; the anticipated benefits and potential of investments, collaborations, and business development activities; our profitability; and our future financial and operating results. All statements, other than statements of historical fact, included in this report are forward-looking statements, and can be identified by words such as "aim," "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "forecast," "goal," "intend," "may," "plan," "possible," "potential," "predict," "project," "seek," "should," "target," "will," "would," or the negative of these terms or similar expressions. Such statements constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are not guarantees or assurances of future performance. Forward-looking statements are based on our expectations and assumptions as of the date of this report and are subject to inherent uncertainties, risks, and changes in circumstances that may differ materially from those contemplated by the forward-looking statements. We may not actually achieve the plans, carry out the intentions, or meet the expectations or projections disclosed in our forward-looking statements, and you should not place undue reliance on these forward-looking statements. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors, including but not limited to the following:

- Our ability to successfully commercialize and generate revenue from our approved products;
- Our ability to obtain funding for our operations and business initiatives;
- The results of our clinical and pre-clinical development of our product candidates;
- The content and timing of decisions made by the relevant regulatory authorities regarding regulatory approvals of our product candidates;
- Any inability of third parties on whom we rely, such as our licensors, CMOs, and others that supply certain of our products and product candidates; CROs that conduct or support some of our pre-clinical and clinical trials; and distributors that sell our commercial products, to successfully carry out their contractual duties or meet expected deadlines;
- Any issues that our Chinese manufacturing facilities may have with operating in conformity with established GMPs and international best practices, and with passing FDA, NMPA, and EMA inspections;
- Any inability to obtain or maintain sufficient patent protection for our products and product candidates;
- Changes in U.S. and China trade policies and relations, as well as relations with other countries, and/or changes in laws, regulations, and/or sanctions;

- Actions the Chinese government may take to intervene in or influence our operations;
- Economic, political, and social conditions in mainland China as well as governmental policies;
- Significant business disruptions caused by events or developments outside of our control, such as pandemics, international war or conflict, natural disasters or extreme weather events, and other geopolitical events;
- Uncertainties in the Chinese legal system, including with respect to the anti-corruption enforcement efforts in mainland China and those addressing espionage, protection of and transfer restrictions on data, including personal information, data processing and security, and cybersecurity, and other future laws and regulations or amendments to such laws and regulations;
- Approval, filing, or procedural requirements imposed by the China Securities Regulatory Commission or other Chinese regulatory authorities in connection with issuing securities to foreign investors under Chinese law;
- Any violation or liability under the U.S. Foreign Corrupt Practices Act or Chinese anti-corruption, anti-bribery, and anti-fraud laws;
- Variations in currency exchange rates and restrictions on currency exchange;
- Limitations on the ability of our Chinese subsidiaries to make payments to us;
- Chinese requirements on the ability of residents in mainland China to establish offshore special purpose companies;
- Chinese regulations regarding acquisitions of companies based in mainland China by foreign investors;
- Expiration of, or changes to, financial incentives or discretionary policies granted by local governments in mainland China;
- Restrictions or limitations on the ability of overseas regulators to conduct investigations or collect evidence within mainland China;
- Unfavorable tax consequences to us and our non-Chinese shareholders or ADS holders if we were to be classified as a Chinese resident enterprise for Chinese income tax purposes;
- Failure to comply with applicable Chinese, U.S., and Hong Kong regulations that could lead to government enforcement actions, fines, other legal or administrative sanctions, and/or harm to our business or reputation;
- Delays or obstacles for closing transactions, such as review by the CFIUS in our investments; and
- Any inability to renew our current leases on desirable terms or otherwise locate desirable alternatives for our leased properties.

FORWARD-LOOKING STATEMENTS

These factors should not be construed as exhaustive and should be read with the other cautionary statements and information in our 2025 Annual Report, our Annual Report on Form 10-K for 2025, our Quarterly Reports on Form 10-Q, and our other filings with the SEC. Forward-looking statements are based on our management's beliefs and assumptions and information currently available to our management. These statements, like all statements in this report, speak only as of their date. We anticipate that subsequent events and developments will cause our expectations and assumptions to change, and we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as may be required by law. These forward-looking statements should not be relied upon as representing our views as of any date subsequent to the date of this report.

The following management discussion and analysis should be read in conjunction with our 2025 Annual Report and our unaudited condensed consolidated financial statements and the accompanying notes thereto included in this report.

OVERVIEW

We are a patient-focused, innovative, commercial-stage, global biopharmaceutical company with a substantial presence in both Greater China and the United States. We are focused on discovering, developing, and commercializing products that address medical conditions with significant unmet needs in the areas of oncology, immunology, neuroscience, and infectious disease. We intend to leverage our competencies and resources to positively impact human health. We currently have eight commercial programs — ZEJULA, VYVGART/VYVGART Hytrulo, NUZYRA, OPTUNE, QINLOCK, XACDURO, AUGTYRO, and KarXT — with products that have received marketing approval and that we have commercially launched in China. We also have multiple programs in late-stage product development and a number of ongoing pivotal trials across our portfolio.

Since our inception, we have incurred net losses and negative cash flows from our operations. Substantially all of our losses have resulted from funding our research and development programs and selling, general, and administrative costs associated with our operations. Developing high quality product candidates requires significant investment in our research and development activities over a prolonged period of time, and a core part of our strategy is to continue making sustained investments in this area. Our ability to generate profits and positive cash flow from operations depends upon our ability to successfully market our commercial products and to successfully expand the indications for these products and develop and commercialize our other product candidates. As discussed further below, we expect to continue to incur substantial costs related to our research and development and commercialization activities.

As we pursue our corporate strategic goals, we anticipate that our financial results will fluctuate from quarter to quarter and year to year depending in part on the balance between the success of our commercial products and the level of our research and development expenses. We cannot predict whether or when our product candidates will receive regulatory approval. Further, if we receive such regulatory approval, we cannot predict whether or when we may be able to successfully commercialize such products or whether or when such products may become profitable.

Recent Developments

Commercial Products

Net product revenue was $201.3 million for the six months ended June 30, 2026, a decrease of 6% compared to the prior year period, primarily driven by decreased revenue for ZEJULA, due to a shift in hospital utilization patterns following volume-based procurement for generic olaparib, and VYVGART, primarily due to a pricing adjustment related to NRDL renewal. These decreases were partially offset by increased sales for XACDURO, driven by strong patient demand and expanding hospital adoption but partially constrained by supply limitations, and increased sales for NUZYRA, supported by increased market coverage and penetration.

In June 2026, we launched KarXT in mainland China for the treatment of schizophrenia in adults. KarXT is the first schizophrenia therapy with a novel mechanism of action approved in over 70 years, offering a new approach to treating schizophrenia through selective activation of M1 and M4 muscarinic receptors. We are preparing to seek inclusion of KarXT in China's NRDL in 2027.

Product Candidates

We continued to advance our product candidates through our research and development activities, including the following developments with respect to our clinical trials and regulatory approvals:

Oncology

- **Zocilurtatug Pelitecan (Zoci, DLL3-Targeting ADC) (formerly ZL-1310):** In April 2026, we presented compelling clinical data at the AACR Annual Meeting 2026 demonstrating that zoci delivers rapid and robust intracranial responses in patients with previously treated ES-SCLC and brain metastases as measured by blinded independent assessment using mRANO-BM criteria, as well as promising data in patients with extrapulmonary NECs.

    - *SCLC with Brain Metastases*: Zoci showed a 53.7% confirmed intracranial objective response rate with 62.5% (10/16) at the 1.6 mg/kg dose, including complete responses. Notably, responses were observed in patients without prior brain radiotherapy (9/15, 60%), highlighting the net drug effect on the intracranial lesions. Zoci was well tolerated, with Grade ≥3 TRAEs in 19.9% (27/136) of the overall population and in 16.4% (9/55) of patients who received 1.6 mg/kg.

    - *Extrapulmonary NECs*: Encouraging activity was observed with a 38.2% confirmed objective response rate across extrapulmonary NECs of different primary origins. The safety profile in extrapulmonary NECs was consistent with that previously observed in SCLC with Grade ≥3 TRAEs in 15.2% of patients in Phase 1b. We are actively engaging with health authorities on a registrational plan for extrapulmonary NECs.

    Combination Collaborations: In April 2026, we announced a global clinical trial collaboration with Amgen to evaluate zoci in combination with Amgen's IMDELLTRA® (tarlatamab-dlle), a DLL3/CD3 bispecific T-cell engager, for ES-SCLC and a clinical collaboration with Boehringer Ingelheim to evaluate zoci in combination with obrixtamig, a DLL3/CD3 bispecific T-cell engager, for SCLC and other NECs. In April 2026, Amgen initiated enrollment in the global Phase 1b study (DeLLphi-313) evaluating zoci in combination with tarlatamab with or without anti-PD-L1 in patients with SCLC.

    Regulatory Designations: In May 2026, we received Fast Track Designation from the FDA for zoci for the treatment of patients with extrapulmonary NECs. This is the second FDA Fast Track Designation for zoci. In June 2026, we received ODD from the EMA for zoci for the treatment of patients with pulmonary NECs, and in July 2026, we received ODD from the FDA for zoci for the treatment of NECs.

- **TIVDAK (tisotumab vedotin):** In June 2026, China's NMPA approved the BLA for TIVDAK for the treatment of adult patients with recurrent or metastatic cervical cancer with disease progression on or after chemotherapy. TIVDAK is the first ADC approved in China for this indication. TIVDAK demonstrated a statistically significant overall survival benefit in the global Phase 3 innovaTV 301 clinical trial, including in the trial's China subpopulation.

- **Tumor Treating Fields (TTFields):** We participated in the Greater China portion of the Phase 3 pivotal PANOVA-3 trial evaluating the efficacy of TTFields therapy administered concomitantly with gemcitabine and nab-paclitaxel as a 1L treatment for patients with unresectable, locally advanced pancreatic cancer. In February 2026, the FDA approved TTFields, under the brand name OPTUNE Pax, for this indication. In August 2025, the NMPA granted Innovative Medical Device Designation for TTFields therapy for patients with pancreatic cancer based on the positive results from the Phase 3 PANOVA-3 trial. This designation offers opportunities to expedite the regulatory review and approval process. The trial met its primary endpoint, demonstrating a statistically significant improvement in median overall survival for patients treated with TTFields. We filed for regulatory approval in mainland China in the fourth quarter of 2025 for this combination treatment in patients with unresectable, locally advanced pancreatic cancer.

Immunology, Neuroscience, and Infectious Disease

- **ZL-1503 (IL-13/IL-31Rα):** In April 2026, we announced new data from a preclinical study of ZL-1503, demonstrating that our internally developed long-acting IL-13/IL-31Rα bispecific antibody may lead to sustained suppression of intense pruritus (itch) and inflammation caused by atopic diseases. The findings reinforce the potential of ZL-1503 to be a first-in-class treatment option for moderate-to-severe atopic dermatitis and other IL-13 and IL-31-driven diseases. A global Phase 1/1b study is ongoing, and we expect to report the first-in-human data from the global Phase 1 portion in the second half of 2026.

- **Efgartigimod (FcRn):** In February 2026, argenx announced topline results from the global registrational Phase 3 ADAPT-OCULUS study of efgartigimod for the treatment of ocular MG. The study met its primary endpoint (p-value=0.012), demonstrating that patients living with ocular MG and treated with VYVGART demonstrated statistically significant improvement from baseline in MGII PRO ocular scores at Week 4 compared to placebo. In the overall population, mean change from baseline in patients treated with VYVGART was a 4.04 point improvement in MGII PRO versus a mean change of 1.99 MGII PRO score in patients treated with placebo. VYVGART was well tolerated and had a favorable safety profile in patients with oMG, consistent with prior studies. We participated in the study in Greater China.

  In May 2026, the FDA approved the supplemental BLA submitted by our partner argenx in January 2026 for VYVGART and VYVGART Hytrulo, expanding the label to include all serotypes of adult patients living with gMG — anti-AChR-Ab positive, anti-MuSK-Ab positive, anti-LRP4-Ab positive, and triple seronegative. The approval is based on data from the Phase 3 ADAPT SERON study. We participated in the ADAPT SERON study in Greater China.

  In August 2026, argenx announced positive topline results from the ALKIVIA Phase 3 study evaluating VYVGART Hytrulo (efgartigimod alfa and hyaluronidase-qvfc) in adults with autoimmune myositis. The study met primary endpoint of mean total improvement score at Week 52 in the combined study population of IMNM and DM patients (p=0.0011). We participated in the ALKIVIA study in Greater China.

- **Povetacicept (Pove, Anti-APRIL/BAFF):**

  - *IgAN*: In March 2026, our partner Vertex announced positive data from a pre-specified Week 36 interim analysis of the global Phase 3 RAINIER trial of pove in IgAN. The trial met its primary objective, with povetacicept-treated patients achieving a 52.0% reduction from baseline in 24-hour UPCR, representing a statistically significant and clinically meaningful 49.8% UPCR reduction versus placebo ($p<0.0001$). Pove was generally safe and well tolerated. We participated in the global Phase 3 study in Greater China. In June 2026, our partner Vertex announced that the FDA accepted its BLA submission for pove for accelerated approval in adults with IgAN, with a PDUFA target action date of November 30, 2026. We participated in the global Phase 3 RAINIER study in Greater China.

  - *pMN*: Our partner Vertex has completed enrollment in the Phase 2 portion of the global pivotal Phase 2/3 OLYMPUS study and has initiated the Phase 3 portion. We participated in the global study in Greater China.

- **Elegrobart (Anti-IGF-1R, SC):** Viridian Therapeutics announced positive topline data from REVEAL-1, elegrobart's pivotal Phase 3 clinical trial for active TED, and REVEAL-2, elegrobart's pivotal Phase 3 clinical trial for chronic TED, in March 2026 and May 2026, respectively. Elegrobart was generally well tolerated across both studies. We have an exclusive license from Zenas BioPharma to develop and commercialize elegrobart in Greater China and are currently conducting a Phase 3 bridging study in the region.

  - *REVEAL-1 in Active TED*: The trial met its primary endpoint with a highly statistically significant treatment effect. Both elegrobart Q4W and Q8W treatment arms showed rapid onset of treatment effect and achieved clinically meaningful 54% and 63% proptosis responder rates, respectively, versus 18% placebo at week 24. The Q4W treatment arm additionally provided meaningful diplopia benefit to patients with active TED.

  - REVEAL-2 in Chronic TED: The trial met its primary endpoint with a highly statistically significant treatment effect. Both elegrobart Q4W and Q8W treatment arms achieved statistically significant and clinically meaningful 50% and 54% proptosis responder rates, respectively, versus 15% placebo at week 24. The Q4W treatment arm additionally provided meaningful diplopia benefit to patients with chronic TED.

Organizational Updates

During the second quarter, we continued to strengthen our business through key additions to our global leadership team. For example, in April 2026, we appointed Yizhe Wang, Ph.D., as Operating Partner, to strengthen our commercial capabilities and execution. Dr. Wang brings extensive experience in global oncology and immunology commercial operations, having led commercial teams across China, the U.S., and the U.K. at GSK and Eli Lilly.

In May 2026, Josh Smiley, President and Chief Operating Officer, departed the Company.

Factors Affecting Our Results of Operations

Our Commercial Products

We generate product revenue through the sale of our commercial products in Greater China, net of any related sales returns and rebates to distributors. Our cost of product revenue mainly consists of the costs of manufacturing ZEJULA and NUZYRA; costs of purchasing VYVGART/VYVGART Hytrulo, OPTUNE, QINLOCK, XACDURO, AUGTYRO, and KarXT from our collaboration partners; any royalty fees incurred as a result of sales of our commercial products under our license and collaboration agreements; and amortization of capitalized post-approval milestone fees incurred under our license and collaboration agreements. We expect to continue to focus on increasing patient access to our existing commercial products, such as through NRDL listing or increased supplemental insurance coverage in the private-pay market, and to launch additional commercial products, if and when we obtain required regulatory approvals.

Research and Development Expenses

We believe our ability to successfully develop product candidates will be the primary factor affecting our long-term competitiveness, as well as our future growth and development. Developing high quality product candidates requires a significant investment of resources over a prolonged period of time. We are committed to advancing and expanding our pipeline of potential best-in-class and first-in-class products, such as through clinical and pre-clinical trials and business development activities. As a result, we expect to continue making significant investments in research and development, including internal discovery activities.

Elements of research and development expenditures primarily include:

- payroll and other related costs of personnel engaged in research and development activities;
- fees for exclusive development rights of products granted to the Company;
- costs related to pre-clinical testing of the Company's technologies and clinical trials, such as payments to CROs and CMOs, investigators, and clinical trial sites that conduct our clinical studies; and
- costs to produce the product candidates, including raw materials and supplies, product testing, depreciation, and facility-related expenses.

Selling, General, and Administrative Expenses

Our selling, general, and administrative expenses consist primarily of personnel compensation and related costs, including share-based compensation for commercial and administrative personnel. Other selling, general, and administrative expenses include product distribution and promotion costs, and professional service fees for legal, intellectual property, auditing, and tax services as well as other direct and allocated expenses for rent and maintenance of facilities, insurance, and other supplies used in selling, general, and administrative activities. We expect these costs to continue to be significant to support sales of our commercial products and preparation to launch and subsequent sales of additional product candidates if and when approved.

Our Ability to Commercialize Our Product Candidates

We have multiple product candidates in late-stage clinical development and various others in clinical and pre-clinical development in Greater China and globally. Our ability to generate revenue from our product candidates is dependent on our receipt of regulatory approvals for and successful commercialization of such product candidates, which may not occur. Certain of our product candidates may require additional pre-clinical and/or clinical development, regulatory approvals in multiple jurisdictions, manufacturing supply, and significant marketing efforts before we generate any revenue from product sales.

License and Collaboration Arrangements

Our results of operations have been, and will continue to be, affected by our license and collaboration agreements. In accordance with these agreements, we may be required to make upfront payments and milestone payments upon the achievement of certain development, regulatory, and sales-based milestones for the relevant products as well as certain royalties at tiered percentage rates based on annual net sales of the licensed products in the licensed territories. As of June 30, 2026, we may in the future be required to pay development and regulatory milestone payments of up to an additional aggregate amount of $197.0 million for our current clinical programs and $863.0 million for other programs. Such development and regulatory milestone payments are contingent on the progress of our product candidates prior to commercialization, and we see these payments as favorable because they indicate that product candidates are advancing. As of June 30, 2026, we also in the future may be required to pay sales-based milestone payments of up to an additional aggregate amount of $3,078.0 million as well as certain royalties at tiered percentage rates on annual net sales. Such sales-based milestone and royalty payments are contingent on the performance of our commercial products, and we see these payments as favorable because they signify that a product is achieving higher sales levels.

FUTURE AND OUTLOOK

Our mission is to be a leading global biopharmaceutical company focused on discovering, developing, and commercializing innovative therapies that improve the lives of patients.

To execute on that mission, we have developed a corporate strategy with the following three pillars to help us drive innovation in China and beyond:

- **Accelerate Medicines to Patients:** We seek to advance our global and regional pipelines by continuing to invest in research and development activities;

- **Expand and Strengthen Our Pipeline:** We seek to continue to expand and strengthen our differentiated global and regional pipelines through our internal discovery efforts and synergistic collaborations and corporate development activities; and

- **Continue Our Commercial Excellence and Execution:** We seek to continue delivering strong financial performance, including by increasing access to our existing commercial products and driving further increases in our efficiency and productivity as we prepare to launch additional products or new indications for existing products, as we advance along our path to achieve profitability.

We also seek to build and maintain the trust of our stakeholders, including through our Trust for Life strategy, which includes three commitments: improve human health, create better outcomes, and act right now with ethical business practices and strong corporate governance. As part of our corporate strategy, and the actions taken in support of our corporate goals, we will continue to develop and integrate our Trust for Life strategy into our business and operations.

FINANCIAL REVIEW

Results of Operations

In this section, we discuss our results of operations for the six months ended June 30, 2026 compared to the same period in 2025.

The following table presents our results of operations ($ in thousands):

	Six Months Ended June 30,		Change	
	2026	2025	$	%
Revenues				
Product revenue, net	201,307	214,735	(13,428)	(6)%
Collaboration revenue	4,615	1,729	2,886	167 %
Total revenues	205,922	216,464	(10,542)	(5)%
Expenses				
Cost of product revenue	(86,477)	(81,455)	(5,022)	6 %
Cost of collaboration revenue	(20)	(412)	392	(95)%
Research and development	(127,357)	(111,343)	(16,014)	14 %
Selling, general, and administrative	(137,942)	(134,460)	(3,482)	3 %
Loss from operations	(145,874)	(111,206)	(34,668)	31 %
Interest income	12,326	17,449	(5,123)	(29)%
Interest expenses	(3,224)	(2,449)	(775)	32 %
Foreign currency gains	29,902	3,488	26,414	757 %
Other income, net	5,447	3,553	1,894	53 %
Loss before income tax	(101,423)	(89,165)	(12,258)	14 %
Income tax benefit (expense)	(418)	—	(418)	— %
Net loss	(101,841)	(89,165)	(12,676)	14 %

Revenues

Product Revenue, Net

The following table presents net revenue by commercial program ($ in thousands):

	Six Months Ended June 30,		Change	
	2026	2025	$	%
ZEJULA	62,046	90,571	(28,525)	(31)%
VYVGART/VYVGART Hytrulo	41,417	44,602	(3,185)	(7)%
NUZYRA	33,359	29,410	3,949	13 %
OPTUNE	24,272	23,718	554	2 %
QINLOCK	18,575	17,045	1,530	9 %
XACDURO	16,529	5,739	10,790	188 %
AUGTYRO	4,005	3,025	980	32 %
KarXT	552	—	552	NM
Other (i)	552	625	(73)	(12)%
Total product revenue, net	201,307	214,735	(13,428)	(6)%

NM — Not Meaningful

(i) Other includes product candidates sold in patient programs prior to commercialization.

Our product revenue is primarily derived from the sales of our commercial products in mainland China, net of sales returns and rebates to distributors with respect to the sales of these products.

Our net product revenue decreased by $13.4 million in the six months ended June 30, 2026, primarily driven by decreased revenue for ZEJULA, due to a shift in hospital utilization patterns following volume-based procurement for generic olaparib, and VYVGART, primarily due to a pricing adjustment related to NRDL renewal. These decreases were partially offset by increased sales for XACDURO, driven by strong patient demand and expanding hospital adoption but partially constrained by supply limitations, and increased sales for NUZYRA, supported by increased market coverage and penetration.

Cost of Product Revenue

Cost of product revenue increased by $5.0 million in the six months ended June 30, 2026, primarily due to a shift in product mix and the inventory write-down in the second quarter in 2026.

Collaboration Revenue and Cost of Collaboration Revenue

In the six months ended June 30, 2026, collaboration revenue increased by $2.9 million mainly related to a regional license and collaboration arrangement. Cost of collaboration revenue was insignificant in the six months ended June 30, 2026.

Research and Development Expenses

The following table presents the components of our research and development expenses ($ in thousands):

	Six Months Ended June 30,		Change	
	2026	2025	$	%
Personnel compensation and related costs	41,183	46,527	(5,344)	(11)%
Licensing fees	37,000	19,997	17,003	85 %
CROs/CMOs/Investigators expenses	37,800	29,765	8,035	27 %
Other costs	11,374	15,054	(3,680)	(24)%
Total	127,357	111,343	16,014	14 %

Research and development expenses increased by $16.0 million in the six months ended June 30, 2026, primarily due to:

- an increase of $17.0 million in licensing fees in connection with increased upfront and milestone fees for our license and collaboration agreements;
- an increase of $4.4 million in CROs/CMOs/Investigators expenses and other clinical and pre-clinical costs; partially offset by
- a decrease of $5.3 million in personnel compensation and related costs, primarily driven by our resource prioritization and efficiency efforts.

The following table presents our research and development expenses by program ($ in thousands):

	Six Months Ended June 30,		Change	
	2026	2025	$	%
Clinical programs	45,881	45,059	822	2 %
Pre-Clinical programs	31,325	8,383	22,942	274 %
Unallocated research and development expenses	50,151	57,901	(7,750)	(13)%
Total	127,357	111,343	16,014	14 %

In the six months ended June 30, 2026, research and development expenses attributable to pre-clinical programs increased by $22.9 million, primarily driven by an increase in licensing fees for our license and collaboration agreements.

Although we manage our external research and development expenses by program, we do not allocate our internal research and development expenses by program because our employees and internal resources may be engaged in projects for multiple programs at any given time.

Selling, General, and Administrative Expenses

The following table presents our selling, general, and administrative expenses by category ($ in thousands):

	Six Months Ended June 30,		Change	
	2026	2025	$	%
Personnel compensation and related costs	85,767	83,322	2,445	3%
Other costs	52,175	51,138	1,037	2%
Total	137,942	134,460	3,482	3%

Selling, general, and administrative expenses remained relatively flat in the six months ended June 30, 2026, compared to the prior year period, reflecting continued efforts to streamline the organization, optimize resource allocation, and enhance operating efficiency as the company advances its next phase of growth.

Interest Income

Interest income decreased by $5.1 million in the six months ended June 30, 2026, primarily due to decreased interest rates.

Interest Expense

Interest expense increased by $0.8 million in the six months ended June 30, 2026, primarily due to higher levels of short-term debt.

Foreign Currency Gains

Foreign currency gains increased by $26.4 million in the six months ended June 30, 2026, primarily due to appreciation of the RMB against the U.S. dollar.

Other Income, Net

Other income, net increased by $1.9 million in the six months ended June 30, 2026, primarily due to higher government grants.

Income Tax Expense

Income tax expense was $0.4 million in the six months ended June 30, 2026 attributable to taxable income in certain Chinese entities. Income tax expense was nil in the six months ended June 30, 2025 as the Company's subsidiaries were in cumulative loss positions.

Net Loss

Net loss was $101.8 million in the six months ended June 30, 2026, or a loss per ordinary share attributable to shareholders of $0.09 (or loss per ADS of $0.92), compared to a net loss of $89.2 million in the six months ended June 30, 2025, or a loss per ordinary share of $0.08 (or loss per ADS of $0.82).

Discussion of Certain Key Balance Sheet Items

This section includes discussion of certain key balance sheet items as of June 30, 2026 compared to December 31, 2025.

Cash, Cash Equivalents, and Restricted Cash

As of June 30, 2026, the Company's cash, cash equivalents, and restricted cash amounted to $708.6 million and primarily comprised of (i) $683.3 million denominated in U.S. dollars; (ii) $21.0 million denominated in RMB; and (iii) $4.3 million in aggregate denominated in HK dollars, Australian dollars, and Taiwan dollars.

Accounts Receivable

Accounts receivable decreased by $36.5 million to $69.6 million as of June 30, 2026, primarily due to decreased product revenue.

Inventories, Net

Inventories, net increased by $16.1 million to $90.9 million as of June 30, 2026, primarily due to increased inventory levels to support anticipated sales growth.

Property and Equipment, Net

Property and equipment, net decreased by $1.0 million to $46.4 million as of June 30, 2026, primarily due to the depreciation.

Intangible Assets, Net

Intangible assets, net increased by $9.6 million to $85.8 million as of June 30, 2026, primarily driven by regulatory milestone fees for TIVDAK.

Accounts Payable

Accounts payable decreased by $4.9 million to $136.7 million as of June 30, 2026, based on the timing of accruals and payments.

Short-Term Debt

Short-term debt increased by $33.6 million to $238.1 million as of June 30, 2026, primarily due to net new borrowings made in the first half of 2026.

Other Current Liabilities

Other current liabilities decreased by $14.9 million to $48.8 million as of June 30, 2026, primarily due to payments of employee bonuses and rebates for VYVGART related to its NRDL renewal.

Liquidity and Capital Resources

The following table represents our cash and cash equivalents, short-term investments, and restricted cash ($ in thousands):

	June 30, 2026	December 31, 2025
Cash and cash equivalents	607,522	679,573
Restricted cash, current	100,000	100,000
Short-term investments	10,000	10,000
Restricted cash, non-current	1,118	1,116
Total	718,640	790,689

To date, we have financed our activities primarily through private placements and public offerings, including our September 2017 initial public offering and various follow-on offerings on Nasdaq and our September 2020 secondary listing and initial public offering on the Hong Kong Stock Exchange. We have raised approximately $164.6 million in private equity financing and approximately $2,677.8 million in net proceeds from public offerings after deducting underwriting commissions and the offering expenses payable by us. Our operations have consumed substantial amounts of cash since inception. The net cash used in our operating activities was $75.3 million and $92.7 million in the six months ended June 30, 2026 and 2025, respectively. For information on our research and development activities and related expenditures, see the *Research and Development Expenses, Selling, General, and Administrative Expenses, License and Collaboration Arrangements,* and *Results of Operations* sections above. In addition, as of June 30, 2026, we had commitments of $1.8 million related to commercial manufacturing development activities and capital expenditures.

We have also identified opportunities to access capital through debt arrangements on favorable commercial terms. As of June 30, 2026, we had such debt arrangements with Chinese financial institutions that allow certain of our subsidiaries to borrow up to approximately $320.0 million (or RMB2,271.7 million) to support our working capital needs in mainland China. As of June 30, 2026, we had short-term debt outstanding of $238.1 million (or RMB1,479.5 million) pursuant to these debt arrangements. These debt arrangements provide us with additional capital capacity that will give us enhanced flexibility to execute our corporate strategic goals. For more information, see *Note 10.*

As of June 30, 2026, we had cash and cash equivalents, current restricted cash, and short-term investments of $717.5 million, which we expect will enable us to meet our cash requirements including the funding of operating expenses, capital expenditures, and debt obligations for at least the next 12 months.

Although we believe that we have sufficient capital to fund our operations for at least the next twelve months, we may, from time to time, utilize debt arrangements on favorable commercial terms, subject to lenders' assessment of our financial position including our cash balances, or consider additional funding sources to bring to fruition our strategic objectives. There can be no assurances that such funding will be made available to us on acceptable terms or at all.

The following table presents information regarding our cash flows ($ in thousands):

	Six Months Ended June 30,		Change
	2026	2025	$
Net cash used in operating activities	(75,318)	(92,723)	17,405
Net cash (used in) provided by investing activities	(23,705)	323,211	(346,916)
Net cash provided by financing activities	24,278	51,990	(27,712)
Effect of foreign exchange rate changes on cash, cash equivalents and restricted cash	2,696	125	2,571
Net (decrease) increase in cash, cash equivalents and restricted cash	(72,049)	282,603	(354,652)

Net Cash Used in Operating Activities

Net cash used in operating activities decreased by $17.4 million in the six months ended June 30, 2026, primarily due to an increase of $61.4 million in net changes in operating assets and liabilities, partially offset by a decrease of $31.3 million in other adjustments to reconcile net loss to net cash used in operating activities and an increase of $12.7 million in net loss.

Net Cash (Used in) Provided by Investing Activities

Net cash used in investing activities was $23.7 million in the six months ended June 30, 2026, compared to net cash provided by investing activities of $323.2 million in the six months ended June 30, 2025, primarily due to a decrease of $330.0 million in proceeds from the maturity of short-term investments, an increase of $17.6 million from acquisitions of intangible assets, and a decrease of $1.2 million in proceeds from the sale of an equity investment, partially offset by a decrease of $1.9 million in purchases of property and equipment.

Net Cash Provided by Financing Activities

Net cash provided by financing activities decreased by $27.7 million in the six months ended June 30, 2026, primarily due to an increase of $47.1 million in repayment of short-term bank borrowings, a decrease of $9.7 million in proceeds from exercises of stock options, and an increase of $4.4 million in employee taxes paid related to net share settlement of equity awards, partially offset by an increase of $32.6 million in short-term debt proceeds.

Effect of Exchange Rates on Cash

We have substantial operations in mainland China, which generate a significant amount of RMB-denominated cash from product sales and require a significant amount of RMB-denominated cash to pay our obligations. Since the reporting currency of the Company is the U.S. dollar, periods of volatility in exchange rates may have a significant impact on our consolidated cash balances.

Operating Capital Requirements

We may require or seek to obtain additional funding in connection with our operations through public or private equity offerings, debt financing, collaborations or licensing arrangements, or other sources. If we are unable to raise capital when needed or on acceptable terms, we could incur losses or be forced to delay, reduce, or terminate certain programs or activities.

Although we believe our cash and cash equivalents, and short-term investments as of June 30, 2026 will enable us to fund our operating expenses and capital expenditure requirements for at least the next twelve months, we could use our capital resources sooner than we currently expect. Our future capital requirements will depend on many factors, including:

- revenues from our approved commercial products and related product costs;
- the cost and timing of future commercialization activities for our products and any other product candidates for which we receive regulatory approval;
- the cost, timing, and outcome of seeking, obtaining, and maintaining regulatory approval for our products and product candidates;
- the scope, progress, timing, results, and costs of researching and developing our product candidates, including additional indications for our existing commercial products and conducting pre-clinical and clinical trials;
- our ability to establish and maintain strategic partnerships, including collaboration, licensing, or other arrangements, and the economic and other terms, timing, and success of such arrangements, such as with respect to any upfront fees, development and regulatory milestones that may be payable prior to commercialization or before we have generated revenue from the related product, and sales-based milestones or royalty payments that may be payable after commercial launch;

- the cost, timing, and outcome of preparing, filing, and prosecuting patent applications, maintaining and enforcing our intellectual property rights, and defending any intellectual property related claims;
- cash requirements of any future acquisitions;
- resources and costs required to promote compliance with applicable laws and regulations by us and our third-party partners;
- costs of our personnel; and
- the costs of operating as a public company in both the United States and Hong Kong.

Contractual Obligations and Commitments

As of June 30, 2026, our commitments were $1.8 million and related to commercial manufacturing development activities and capital expenditures that are contracted but not yet reflected in the unaudited condensed consolidated financial statements. These commitments were expected to be incurred within one year from June 30, 2026.

Disclosures About Market Risk

We are exposed to market risk including foreign exchange risk, credit risk, and interest rate risk.

Foreign Exchange Risk

Renminbi, or RMB, is not a freely convertible currency. The State Administration of Foreign Exchange, under the authority of the People's Bank of China, controls the conversion of RMB into foreign currencies. The value of RMB is subject to changes in central government policies and to international economic and political developments affecting supply and demand in the China Foreign Exchange Trading System market. The cash and cash equivalents of the Company included aggregated amounts of $21.0 million and $25.4 million, which were denominated in RMB, representing 3% and 4% of the cash and cash equivalents as of June 30, 2026 and December 31, 2025, respectively.

While our financial statements are presented in U.S. dollars, our business mainly operates in mainland China with a significant portion of our transactions settled in RMB, and as such, we do not believe that we currently have significant direct foreign exchange risk and have not used derivative financial instruments to hedge our exposure to such risk. Although, in general, our exposure to foreign exchange risk should be limited, the value of your investment in our ADSs and ordinary shares will be affected by the exchange rate between the U.S. dollar and the RMB and between the HK dollar and the RMB, respectively, because the value of our business is effectively denominated in RMB, while ADSs and ordinary shares are traded in U.S. dollars and HK dollars, respectively.

The value of the RMB against the U.S. dollar and other currencies may fluctuate and is affected by, among other things, changes in Greater China's political and economic conditions. The conversion of RMB into foreign currencies, including U.S. dollars, has been based on rates set by the People's Bank of China.

The value of our ADSs and our ordinary shares will be affected by the foreign exchange rates between U.S. dollars, HK dollars, and the RMB. For example, to the extent that we need to convert U.S. dollars or HK dollars into RMB for our operations or if any of our arrangements with other parties are denominated in U.S. dollars or HK dollars and need to be converted into RMB, appreciation of the RMB against the U.S. dollar or the HK dollar would have an adverse effect on the RMB amount we receive from the conversion. Conversely, if we decide to convert RMB into U.S. dollars or HK dollars for the purpose of making payments for dividends on ordinary shares or ADSs or for other business purposes, appreciation of the U.S. dollar or the HK dollar against the RMB would have a negative effect on the conversion amounts available to us.

Since 1983, the HKMA has pegged the HK dollar to the U.S. dollar at the rate of approximately HK$7.80 to US$1.00. However, there is no assurance that the HK dollar will continue to be pegged to the U.S. dollar or that the HK dollar conversion rate will remain at HK$7.80 to US$1.00. If the HK dollar conversion rate against the U.S. dollar changes and the value of the HK dollar depreciates against the U.S. dollar, our assets denominated in HK dollars will be adversely affected. Additionally, if the HKMA were to repeg the HK dollar to, for example, the RMB rather than the U.S. dollar, or otherwise restrict the conversion of HK dollars into other currencies, then our assets denominated in HK dollars will be adversely affected.

Credit Risk

Financial instruments that are potentially subject to significant concentration of credit risk consist of cash and cash equivalents, restricted cash, short-term investments, accounts receivable, and notes receivable.

The carrying amounts of cash and cash equivalents, short-term investments, and restricted cash represent the maximum amount of losses due to credit risk. As of June 30, 2026 and December 31, 2025, we had cash and cash equivalents of $607.5 million and $679.6 million, respectively, restricted cash of $101.1 million, and short-term investments of $10.0 million. As of June 30, 2026 and December 31, 2025, all of our cash and cash equivalents, restricted cash, and short-term investments were held by major financial institutions located in mainland China and international financial institutions outside of mainland China which we believe are of high credit quality and for which we monitor continued credit worthiness.

Accounts receivable are typically unsecured and are derived from product revenue. We manage credit risk related to our accounts receivable through ongoing monitoring of outstanding balances and limiting the amount of credit extended based upon payment history and credit worthiness. Historically, we have collected receivables from customers within the credit terms with no significant credit losses incurred. As of June 30, 2026, our largest customer accounted for approximately 18% of our total accounts receivable collectively.

Certain accounts receivable balances are settled in the form of notes receivable. As of June 30, 2026, such notes receivable included bank acceptance promissory notes that are non-interest bearing and due within six months. These notes receivable were used to collect the receivables based on an administrative convenience, given these notes are readily convertible to known amounts of cash. In accordance with the sales agreements, whether to use cash or bank acceptance promissory notes to settle the receivables is at our discretion, and this selection does not impact the agreed contractual purchase prices.

Interest Rate Risk

We are exposed to risks related to changes in interest rates on our cash and cash equivalents, restricted cash, and short-term investments. As of June 30, 2026 and December 31, 2025, we had cash and cash equivalents of $607.5 million and $679.6 million, respectively, restricted cash of $101.1 million, and short-term investments of $10.0 million. Our investment portfolio, which relates to cash equivalents and short-term investments, primarily consists of time deposits. The primary objectives of our investment activities are to preserve principal, provide liquidity, and maximize income without significantly increasing risk. Given the short-term nature of our deposits and investments, we believe that a sudden change in market interest rates would not be expected to have a material impact on our financial condition and/or results of operation. For example, a hypothetical 10% relative change in interest rates during any of the periods presented would not have a material impact on future interest income.

We are also exposed to risks related to changes in interest rates on our short-term debt, which is currently subject to a mix of fixed and floating interest rates. As of June 30, 2026 and December 31, 2025, we had short-term debt of $238.1 million and $204.5 million, respectively. A 100-basis point increase in interest rates would not materially increase our interest expense. Our interest rate exposure from short-term debt is also offset by our exposure in cash and cash equivalents, restricted cash, and short-term investments, as discussed above. For more information on our short-term debt, see *Note 10*.

Gearing Ratio

The gearing ratio of the Company, which was calculated by dividing total interest-bearing loans by total shareholders' equity as of the end of the period, was 39% and 29% as of June 30, 2026 and December 31, 2025, respectively.

Significant Investments Held

We did not hold any significant investments as of June 30, 2026 and December 31, 2025.

Future Plans for Material Investments and Capital Assets

We did not have any future plans for material investments or capital assets as of June 30, 2026.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

During the first half of 2026, we did not have any material acquisitions or disposals of subsidiaries, associates, or joint ventures.

Employee and Remuneration Policy

As of June 30, 2026, we had a global team of 1,871 full-time employees, which increased from 1,797 full-time employees as of December 31, 2025.

The remuneration policy for our employees is periodically reviewed by the Compensation Committee. Employee remuneration packages are determined in consideration of a variety of factors, including our pay-for-performance compensation model and market data for companies in similar industries and with similar complexity and size. In addition to cash compensation and benefits, we may issue share options, share appreciation rights, restricted shares, unrestricted shares, share units including restricted share units, performance awards, and other types of awards to our employees in accordance with our equity incentive plans. For more details about share-based compensation, please refer to the section headed "Equity Incentive Plans" and *Note 13* to the unaudited condensed consolidated financial statements contained in this report.

The total remuneration cost incurred by the Company was $127.0 million and $131.4 million for the first half of 2026 and 2025, respectively.

Charges on Group Assets

As of June 30, 2026 and December 31, 2025, we had a charge over deposit of $100.0 million in restricted cash with BOC HK to secure the standby letters of credit.

Contingent Liabilities

As of June 30, 2026 and December 31, 2025, we did not have any material contingent liabilities. See *Note 14* to the unaudited condensed consolidated financial statements for contractual obligations under licenses and collaborative agreements.

Interim Dividend

The Board did not recommend any interim dividend for the first half of 2026 and 2025.

Recent Accounting Pronouncements

See *Note 2* to the unaudited condensed consolidated financial statements included in this report for recent accounting pronouncements.

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

As of June 30, 2026, so far as was known to the Directors and chief executive of the Company, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares, and debentures of the Company or its associated corporations within the meaning of Part XV of the SFO, which were required to be (a) notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they had taken or were deemed to have under such provisions of the SFO); (b) recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO; or (c) otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code were as follows:

Name of Director	Nature of interest	Number of Shares	Approximate percentage of holding[1]
Samantha (Ying) Du	Beneficial owner	39,915,521[2]	3.51%
	Beneficiary of a trust (other than a discretionary interest)	4,258,579	0.37%
	Founder of a discretionary trust who can influence how the trustee exercises his discretion	2,015,580[3]	0.18%
	Other	3,061,410[4]	0.27%
John David Diekman	Beneficial owner	1,221,400	0.11%
Richard Brian Gaynor	Beneficial owner	790,010	0.07%
Nisa Bernice Wing-Yu Leung	Beneficial owner	962,970	0.08%
William David Lis	Beneficial owner	504,370	0.04%
Scott William Morrison	Beneficial owner	569,040	0.05%
Leon Oliver Moulder, Jr.	Beneficial owner	949,730	0.08%
Michel Pericles Vounatsos	Beneficial owner	727,870	0.06%
Peter Karl Wirth	Beneficial owner	4,161,210	0.37%

Notes:

(1) These calculations are based on the total number of 1,137,828,030 Shares in issue as of June 30, 2026.

(2) These Shares include, among others, Dr. Du's entitlements to receive up to (i) 27,854,710 Shares pursuant to share options granted to her and not yet exercised or expired, subject to any applicable conditions thereof; and (ii) 2,064,270 Shares pursuant to non-option awards granted to her and not yet vested, subject to satisfaction of applicable service-based or performance-based conditions thereof.

(3) These Shares are held by Ying Du Revocable Trust for the benefit of Dr. Du, of which Dr. Du is the trustee and is the founder having power to influence the exercise of the trustee's discretion.

(4) These Shares are held by certain other shareholders, including members of the Company's management and their Affiliates, who have granted to Dr. Du the right to vote their Shares and for which Dr. Du may be deemed to have an "interest" based on her right to vote such Shares, however Dr. Du has no pecuniary interest therein.

(5) All interests stated above are long positions.

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

As of June 30, 2026, so far as was known to the Directors and based on the information filed with the DION System, the following persons (other than the Directors and chief executive of the Company) had interests and/or short positions in the Shares or underlying Shares which would be required to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO or recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Name of Substantial Shareholders	Capacity/Nature of Interest	Number of Shares Held	L/S/P[1]	Approximate Percentage of Shareholding in the Company[2]
JPMorgan Chase & Co.[i]	Beneficial owner	65,617,174	(L)	5.77%
	Beneficial owner	71,061,591	(S)	6.25%
	Investment manager	2,580	(L)	0.00%
	Investment manager	4,200	(S)	0.00%
	Person having a security interest in shares	16,047,389	(L)	1.41%
	Approved lending agent	15,361,591	(P)	1.35%
BAILLIE GIFFORD & CO[ii]	Investment manager	405,906[3]	(L)	0.36%
	Interest of corporation controlled by you	5,510,261[3]	(L)	4.84%
The Goldman Sachs Group, Inc.[iii]	Interest of corporation controlled by you	69,468,596	(L)	6.11%
	Interest of corporation controlled by you	39,573,311	(S)	3.48%
Citigroup Inc.[iv]	Person having a security interest in shares	500[3]	(L)	0.00%
	Interest of corporation controlled by you	31,314[3]	(L)	0.03%
	Interest of corporation controlled by you	4,202[3]	(S)	0.00%
	Approved lending agent	5,200,946[3]	(P)	4.57%
Roderick Wong	Interest of corporation controlled by you	67,340,320	(L)	5.92%
RTW Fund Group GP, LLC				
RTW Investments, LP[v]				
Morgan Stanley[vi]	Interest of corporation controlled by you	59,461,807	(L)	5.23%
	Interest of corporation controlled by you	29,237,144	(S)	2.57%
Anna Inge Leonore Haas Kolchinsky	Interest of your spouse	57,407,620	(L)	5.05%

Name of Substantial Shareholders	Capacity/Nature of Interest	Number of Shares Held	L/S/P[1]	Approximate Percentage of Shareholding in the Company[2]
Peter Kolchinsky	Beneficiary of a trust (other than a discretionary interest)	57,407,620	(L)	5.05%
RA Capital Healthcare Fund GP, LLC RA Capital Healthcare Fund, L.P. RA Capital Management, L.P.[vii]	Interest of corporation controlled by you	57,407,620	(L)	5.05%
FMR LLC[viii]	Interest of corporation controlled by you	57,307,881	(L)	5.04%

Notes:

(1) Long position (L)/Short position (S)/Lending pool (P)

(2) These calculations are based on the total number of 1,137,828,030 Shares in issue as of June 30, 2026.

(3) As the number of Shares held is based on the Corporate Substantial Shareholder Notice filed to the Hong Kong Stock Exchange before the Share Subdivision, for the purpose of calculating the shareholding percentage in this section, the relevant number of Shares has been adjusted to ten times of the original number of ordinary shares held to reflect the impact of the Share Subdivision.

(4) The information above was compiled based on the filings with the DION System. In addition:

(i) According to the Form 13F filed by JPMorgan Chase & Co with the SEC on August 12, 2026 (https://www.sec.gov/Archives/edgar/data/19617/000001961726000325/xslForm13F_X02/Information_Table_06.30.2026.xml), as of June 30, 2026, it (and other managers noted in the filing) held 6,917 ADSs of the Company. No corresponding record is found on the DION System.

(ii) According to the Form 13F filed by Baillie Gifford & Co with the SEC on August 8, 2022 (https://www.sec.gov/Archives/edgar/data/1088875/000108887522000108/xslForm13F_X01/edgbgcojun22.xml), as of June 30, 2022, it (and other managers noted in the filing) held 737,152 ADSs of the Company. According to the Form 13F filed by Baillie Gifford & Co with the SEC on August 6, 2026 (https://www.sec.gov/Archives/edgar/data/1088875/000108887526000057/xslForm13F_X02/edgbgcojun26.xml), as of June 30, 2026, it (and other managers noted in the filing) did not appear to hold any ADSs of the Company. No corresponding record is found on the DION System.

(iii) According to the Form 13F filed by Goldman Sachs Group, Inc with the SEC on August 14, 2026 (https://www.sec.gov/Archives/edgar/data/886982/000088698226000519/xslForm13F_X02/InfoTable_2026-08-13_Final_1.xml), as of June 30, 2026, it (and other managers noted in the filing) held 2,315,480 ADSs of the Company. No corresponding record is found on the DION System.

(iv) According to the Form 13F filed by Citigroup Inc. with the SEC on August 3, 2026 (https://www.sec.gov/Archives/edgar/data/831001/000083100126000040/xslForm13F_X02/CITIGROUP_13F_HR_INFOTABLE.xml), as of June 30, 2026, it (and other managers noted in the filing) held 300,775 ADSs of the Company. No corresponding record is found on the DION System.

(v) According to the Form 13F filed by RTW Investments, LP with the SEC on August 14, 2026 (https://www.sec.gov/Archives/edgar/data/1493215/000149321526000164/xslForm13F_X02/infotable.xml), as of June 30, 2026, it (and other managers noted in the filing) held 6,574,032 ADSs of the Company. No corresponding record is found on the DION System.

(vi) According to the Form 13F filed by Morgan Stanley with the SEC on August 13, 2026 (https://www.sec.gov/Archives/edgar/data/895421/000089542126000243/xslForm13F_X02/US_13F-408-20260630.xml), as of June 30, 2026, it (and other managers noted in the filing) held 65,401 ADSs of the Company. No corresponding record is found on the DION System.

(vii) According to the Form 13F filed by RA Capital Management, L.P. with the SEC on August 14, 2026 (https://www.sec.gov/Archives/edgar/data/1346824/000110465926097251/xslForm13F_X02/infotable.xml), as of June 30, 2026, it (and other managers noted in the filing) held 5,743,533 ADSs of the Company. No corresponding record is found on the DION System.

(viii) According to the Form 13F filed by FMR LLC with the SEC on August 13, 2026 (https://www.sec.gov/Archives/edgar/data/315066/000031506626002260/xslForm13F_X02/20260814_FMRLLC.xml), as of June 30, 2026, it (and other managers noted in the filing) held 2,815,214 ADSs of the Company. No corresponding record is found on the DION System.

Save as disclosed above and to the best knowledge of the Directors, as of June 30, 2026, the Directors are not aware of any other person (other than the Directors or the chief executive of the Company whose interests are set out in the section headed "*Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares and Debentures of the Company or Any of Its Associated Corporations*" above) who had an interest or short position in the Shares or underlying Shares as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

EQUITY INCENTIVE PLANS

The Company has 4 equity incentive plans, namely the 2015 Plan, the 2017 Plan, the 2022 Plan, and the 2024 Plan.

The 2022 Plan was adopted by the shareholders of the Company and took effect on the Primary Conversion Effective Date, and the Board determined that no new grants would be made under the 2015 Plan and the 2017 Plan from the Primary Conversion Effective Date. The 2024 Plan was adopted by the shareholders of the Company and took effect on June 18, 2024, and the Board determined that no new grants would be made under the 2022 Plan from June 18, 2024.

As such, as at both January 1, 2026 and June 30, 2026, nil Share was available for future grant under each of the 2015 Plan, the 2017 Plan and the 2022 Plan.

As at January 1, 2026, the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2015 Plan, the 2017 Plan, the 2022 Plan, and the 2024 Plan was 80,967,820. As at June 30, 2026, the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2015 Plan, 2017 Plan, the 2022 Plan, and the 2024 Plan was 75,656,090.

The number of Shares that may be issued in respect of the options and non-option awards granted under the 2024 Plan during the Reporting Period represented 2.11% of the weighted average number of Shares in issue for the Reporting Period.

1. 2015 Plan

Details of the outstanding options under the 2015 Plan are set out below:

							Number of shares underlying the options				
Name of grantee	Category of grantees	Date of grant	Vesting period[1]	Exercise period[2]	Exercise (grant) price (in $)[3]	Price on day prior to exercise during the Reporting Period (in $)[4]	Outstanding as of January 1, 2026	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as of June 30, 2026
Directors and chief executive of the Company											
Dr. Samantha Du	Director, Chairperson and Chief Executive Officer	8/25/2016	5 years	10 years	0.174	1.92	9,221,840	9,221,840	0	0	0
Employee Participants (other than chief executive)											
In aggregate	Employee Participants	3/9/2016	5 years	10 years	0.12	1.88	262,360	12,360	0	250,000	0
In aggregate	Employee Participants	8/25/2016	5 years	10 years	0.174	1.92	62,150	61,650	0	0	500
In aggregate	Employee Participants	8/25/2016	3 years	10 years	0.174	–	4,160	0	0	0	4,160
In aggregate	Employee Participants	12/6/2016	3 years	10 years	0.174	–	4,160	0	0	0	4,160
In aggregate	Employee Participants	5/12/2017	5 years	10 years	0.30	–	103,320	0	0	0	103,320
In aggregate	Employee Participants	5/12/2017	3 years	10 years	0.30	–	4,160	0	0	0	4,160
Total							9,662,150	9,295,850	0	250,000	116,300

Notes:

(1) The options had been fully vested as at the end of the Reporting Period.

(2) The relevant portion of the options becomes exercisable upon vesting on each anniversary of the date of grant, with the validity period of the options being ten years from the date of grant.

(3) The stated exercise (grant) price was determined in good faith by the administrator of the 2015 Plan in the absence of an established market for the Shares.

(4) The stated price was the weighted-average closing price of the underlying ADSs as quoted on Nasdaq, divided by ten, on the trading day immediately prior to the date on which the options were exercised during the Reporting Period.

2. 2017 Plan

The 2017 Plan was approved by the Board on August 7, 2017. The 2017 Plan provides for the grant of share options, SARs, restricted and unrestricted shares, and share units, performance awards, and other awards that are convertible into or otherwise based on Shares. Dividend equivalents may also be provided in connection with awards under the 2017 Plan.

Options

Details of the outstanding options under the 2017 Plan are set out below:

							Number of shares underlying the options				
Name of grantee	Category of grantees	Date of grant	Vesting period[1] [2] [3]	Exercise period[4]	Exercise (grant) price (in $)[5]	Price on day prior to exercise during the Reporting Period (in $)[6]	Outstanding as of January 1, 2026	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as of June 30, 2026
Directors and chief executive of the Company											
Dr. Samantha Du	Director, Chairperson and Chief Executive Officer	3/28/2018	5 years	10 years	2.09	–	3,500,000	0	0	0	3,500,000
Dr. Samantha Du	Director, Chairperson and Chief Executive Officer	3/8/2019	5 years	10 years	3.893	–	3,000,000	0	0	0	3,000,000
Dr. Samantha Du	Director, Chairperson and Chief Executive Officer	3/12/2020	5 years	10 years	4.494	–	2,500,000	0	0	0	2,500,000
Dr. Samantha Du	Director, Chairperson and Chief Executive Officer	4/1/2021	5 years	10 years	13.096	–	870,000	0	0	0	870,000
Dr. Samantha Du	Director, Chairperson and Chief Executive Officer	4/1/2022	5 years	10 years	4.547	–	2,820,000	0	0	0	2,820,000

							Number of shares underlying the options				
Name of grantee	Category of grantees	Date of grant	Vesting period[1] [2] [3]	Exercise period[4]	Exercise (grant) price (in $)[5]	Price on day prior to exercise during the Reporting Period (in $)[6]	Outstanding as of January 1, 2026	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as of June 30, 2026
Employee Participants (other than chief executive)											
In aggregate	Employee Participants	9/20/2017	3 years	10 years	1.80	–	75,000	0	0	0	75,000
In aggregate	Employee Participants	9/20/2017	5 years	10 years	1.80	–	7,010	0	0	0	7,010
In aggregate	Employee Participants	1/22/2018	5 years	10 years	2.374	–	297,400	0	0	0	297,400
In aggregate	Employee Participants	1/26/2018	5 years	10 years	2.458	–	370,000	0	0	0	370,000
In aggregate	Employee Participants	3/22/2018	5 years	10 years	2.074	–	100,000	0	0	0	100,000
In aggregate	Employee Participants	8/14/2018	5 years	10 years	2.193	–	285,000	0	0	0	285,000
In aggregate	Employee Participants	11/26/2018	5 years	10 years	1.76	–	135,000	0	0	0	135,000
In aggregate	Employee Participants	2/25/2019	3 years	10 years	2.912	–	50,000	0	0	0	50,000
In aggregate	Employee Participants	3/8/2019	5 years	10 years	2.775	–	255,000	0	0	0	255,000
In aggregate	Employee Participants	3/27/2019	5 years	10 years	2.807	–	955,210	0	0	0	955,210
In aggregate	Employee Participants	6/28/2019	5 years	10 years	3.487	–	275,000	0	0	75,000	200,000
In aggregate	Employee Participants	9/30/2019	5 years	10 years	3.235	–	80,000	0	0	0	80,000
In aggregate	Employee Participants	12/31/2019	5 years	10 years	4.159	–	290,370	0	0	0	290,370
In aggregate	Employee Participants	10/7/2019	3 years	10 years	3.188	–	25,000	0	0	0	25,000
In aggregate	Employee Participants	3/12/2020	5 years	10 years	4.494	–	310,000	0	0	0	310,000
In aggregate	Employee Participants	3/31/2020	5 years	10 years	5.148	–	2,063,000	0	0	140,000	1,923,000
In aggregate	Employee Participants	6/30/2020	5 years	10 years	8.213	–	275,420	0	0	15,000	260,420
In aggregate	Employee Participants	8/17/2020	5 years	10 years	8.25	–	377,500	0	0	0	377,500
In aggregate	Employee Participants	9/21/2020	5 years	10 years	7.33	–	178,410	0	0	10,110	168,300
In aggregate	Employee Participants	12/21/2020	5 years	10 years	12.872	–	314,470	0	0	3,450	311,020
In aggregate	Employee Participants	5/1/2021	5 years	10 years	16.621	–	12,000	0	0	0	12,000
In aggregate	Employee Participants	3/1/2021	5 years	10 years	16.202	–	20,000	0	0	0	20,000
In aggregate	Employee Participants	4/1/2021	5 years	10 years	13.096	–	1,616,590	0	0	198,920	1,417,670
In aggregate	Employee Participants	6/1/2021	5 years	10 years	18.00	–	73,000	0	0	0	73,000
In aggregate	Employee Participants	7/1/2021	5 years	10 years	17.837	–	15,750	0	0	0	15,750
In aggregate	Employee Participants	8/1/2021	5 years	10 years	14.461	–	6,100	0	0	0	6,100
In aggregate	Employee Participants	9/1/2021	5 years	10 years	14.718	–	41,590	0	0	1,800	39,790
In aggregate	Employee Participants	10/1/2021	5 years	10 years	10.275	–	214,830	0	0	18,320	196,510
In aggregate	Employee Participants	11/1/2021	5 years	10 years	10.442	–	9,000	0	0	0	9,000
In aggregate	Employee Participants	11/1/2021	4 years	10 years	10.442	–	366,500	0	0	0	366,500

							Number of shares underlying the options				
Name of grantee	Category of grantees	Date of grant	Vesting period[1] [2] [3]	Exercise period[4]	Exercise (grant) price (in $)[5]	Price on day prior to exercise during the Reporting Period (in $)[6]	Outstanding as of January 1, 2026	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as of June 30, 2026
In aggregate	Employee Participants	12/1/2021	5 years	10 years	7.123	–	2,340	0	0	630	1,710
In aggregate	Employee Participants	12/1/2021	4 years	10 years	7.123	–	53,610	0	0	7,610	46,000
In aggregate	Employee Participants	12/30/2021	3 years	10 years	6.692	–	29,000	0	0	0	29,000
In aggregate	Employee Participants	1/1/2022	5 years	10 years	6.285	–	2,400	0	0	2,400	0
In aggregate	Employee Participants	2/1/2022	5 years	10 years	5.359	–	118,000	0	0	0	118,000
In aggregate	Employee Participants	3/1/2022	5 years	10 years	5.255	–	198,140	0	0	0	198,140
In aggregate	Employee Participants	4/1/2022	5 years	10 years	4.547	–	5,970,030	0	0	740,520	5,229,510
In aggregate	Employee Participants	5/1/2022	5 years	10 years	3.955	–	419,570	0	0	0	419,570
In aggregate	Employee Participants	6/1/2022	5 years	10 years	2.95	–	50,150	0	0	4,000	46,150
Total							28,627,390	0	0	1,217,760	27,409,630

Notes:

(1) Where the vesting period is five years, one-fifth of the options shall vest on each anniversary of the date of grant for the next five years, in each case, subject to the grantee's continued employment relationship with the Company on such vesting dates.

(2) Where the vesting period is four years, one-fourth of the options shall vest on each anniversary of the date of grant for the next four years, in each case, subject to the grantee's continued employment relationship with the Company on such vesting dates.

(3) Where the vesting period is three years, one-third of the options shall vest on each anniversary of the date of grant for the next three years, in each case, subject to the grantee's continued employment relationship with the Company on such vesting dates.

(4) The relevant portion of the options becomes exercisable upon vesting on each anniversary of the date of grant, with the validity period of the options being ten years from the date of grant.

(5) The stated exercise (grant) price was the closing price of the underlying ADSs as quoted on Nasdaq, divided by ten, on the date of grant or the Nasdaq trading day immediately prior to or after the date of grant if the date of grant is not a Nasdaq trading day.

(6) There was no exercise of options under the 2017 Plan during the Reporting Period.

Non-Option Awards

As of June 30, 2026, the Company had conditionally granted certain RSUs, PSUs, and RSAs under the 2017 Plan. The purchase price for the grant of such non-option awards under the 2017 Plan was nil.

Details of the unvested non-option awards under the 2017 Plan are set out below:

						Number of shares underlying the non-option awards				
Name of grantee	Category of grantees	Type of award	Date of grant	Vesting period[1] [2] [3]	Price on day prior to vesting during the Reporting Period (in $)[4]	Unvested as of January 1, 2026	Vested during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Unvested as of June 30, 2026
Directors and chief executive of the Company										
Dr. Samantha Du	Director, Chairperson and Chief Executive Officer	PSU	12/1/2021	(1)	–	315,880	0	0	315,880	0
Dr. Samantha Du	Director, Chairperson and Chief Executive Officer	RSU	4/1/2021	5 years	2.00	34,000	34,000	0	0	0
Dr. Samantha Du	Director, Chairperson and Chief Executive Officer	RSU	4/1/2022	5 years	1.98	216,000	108,000	0	0	108,000
Dr. Samantha Du	Director, Chairperson and Chief Executive Officer	RSU	6/25/2022	4 years	1.85	588,000	588,000	0	0	0

						Number of shares underlying the non-option awards				
Name of grantee	Category of grantees	Type of award	Date of grant	Vesting period[1] [2] [3]	Price on day prior to vesting during the Reporting Period (in $)[4]	Unvested as of January 1, 2026	Vested during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Unvested as of June 30, 2026
Employee Participants (other than chief executive)										
In aggregate	Employee Participants	PSU	12/1/2021	(1)	–	245,690	0	0	245,690	0
In aggregate	Employee Participants	RSU	4/1/2021	5 years	2.00	181,810	167,160	0	14,650	0
In aggregate	Employee Participants	RSU	5/1/2021	5 years	2.16	1,800	1,800	0	0	0
In aggregate	Employee Participants	RSU	6/1/2021	5 years	1.74	7,400	7,400	0	0	0
In aggregate	Employee Participants	RSU	7/1/2021	5 years	–	1,600	0	0	0	1,600
In aggregate	Employee Participants	RSU	8/1/2021	5 years	–	3,040	0	0	0	3,040
In aggregate	Employee Participants	RSU	9/1/2021	5 years	–	24,830	0	0	0	24,830
In aggregate	Employee Participants	RSU	10/1/2021	5 years	–	27,500	0	0	1,000	26,500
In aggregate	Employee Participants	RSU	11/1/2021	5 years	–	3,100	0	0	0	3,100
In aggregate	Employee Participants	RSU	12/1/2021	5 years	–	150	0	0	0	150
In aggregate	Employee Participants	RSU	2/1/2022	5 years	1.70	21,400	10,700	0	0	10,700
In aggregate	Employee Participants	RSU	3/1/2022	5 years	1.95	47,130	22,750	0	1,800	22,580
In aggregate	Employee Participants	RSU	4/1/2022	5 years	1.98	817,500	382,310	0	65,150	370,040
In aggregate	Employee Participants	RSU	5/1/2022	5 years	2.16	75,980	37,980	0	0	38,000
In aggregate	Employee Participants	RSU	6/1/2022	5 years	1.73	9,040	4,480	0	1,500	3,060
In aggregate	Employee Participants	RSU	6/25/2022	4 years	1.85	2,234,990	2,003,900	0	231,090	0
Total						4,856,840	3,368,480	0	876,760	611,600

Notes:

(1) Vesting of PSUs is directly linked to achieving milestone goals. Up to 100% of the PSUs can be earned for maximum performance; 50% for threshold performance; 0% for below threshold performance. The unearned awards at the end of the performance period from December 1, 2021 to December 31, 2025 lapsed during the Reporting Period.

(2) Where the vesting period is five years, one-fifth of the RSUs shall vest on each anniversary of the date of grant for the next five years, in each case, subject to the grantee's continued employment relationship with the Company on such vesting dates.

(3) Where the vesting period is four years, one-fourth of the RSUs shall vest on each anniversary of the date of grant for the next four years, in each case, subject to the grantee's continued employment relationship with the Company on such vesting dates.

(4) The stated price was the weighted-average closing price of the underlying ADSs as quoted on Nasdaq, divided by ten, on the trading day immediately prior to the date on which the applicable non-option awards were vested during the Reporting Period.

3. 2022 Plan

The 2022 Plan was approved at the Company's 2022 annual general meeting of shareholders on June 22, 2022. Under the 2022 Plan, the Compensation Committee may award share options, share appreciation rights, restricted shares, restricted share units, performance-based awards, unrestricted shares, and cash-based awards subject to such conditions and restrictions as it may determine. Dividend equivalents may also be provided in connection with awards under the 2022 Plan.

Options

Details of the outstanding options under the 2022 Plan are set out below:

							Number of shares underlying the options			
Name of grantee	Category of grantees	Date of grant	Vesting period[1] [2] [3]	Exercise period[4]	Exercise (grant) price (in $)[5]	Price on day prior to exercise during the Reporting Period (in $)[6]	Outstanding as of January 1, 2026	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as of June 30, 2026
Directors and chief executive of the Company											
Dr. Samantha Du	Director, Chairperson and Chief Executive Officer	4/3/2023	4 years	10 years	3.395	–	3,773,910	0	0	0	3,773,910
Dr. Samantha Du	Director, Chairperson and Chief Executive Officer	4/3/2024	4 years	10 years	1.618	–	5,330,650	0	0	0	5,330,650
Employee Participants (other than chief executive)											
In aggregate	Employee Participants	8/15/2022	5 years	10 years	4.578	–	1,418,300	0	0	556,000	862,300
In aggregate	Employee Participants	9/12/2022	5 years	10 years	5.169	–	26,440	0	0	0	26,440
In aggregate	Employee Participants	11/14/2022	5 years	10 years	3.695	–	403,560	0	0	0	403,560
In aggregate	Employee Participants	12/12/2022	5 years	10 years	3.518	–	13,000	0	0	0	13,000
In aggregate	Employee Participants	12/30/2022	5 years	10 years	3.07	–	1,837,000	0	0	0	1,837,000
In aggregate	Employee Participants	3/6/2023	5 years	10 years	3.986	–	85,890	0	0	7,800	78,090
In aggregate	Employee Participants	4/3/2023	4 years	10 years	3.395	–	10,913,400	0	0	1,356,570	9,556,830
In aggregate	Employee Participants	4/7/2023	3 years	10 years	3.351	–	29,000	0	0	0	29,000
In aggregate	Employee Participants	5/15/2023	4 years	10 years	3.602	–	426,000	0	0	0	426,000
In aggregate	Employee Participants	6/7/2023	4 years	10 years	3.403	–	77,940	0	0	0	77,940
In aggregate	Employee Participants	8/14/2023	4 years	10 years	2.571	–	241,710	0	0	0	241,710
In aggregate	Employee Participants	10/2/2023	4 years	10 years	2.466	–	51,000	0	0	0	51,000
In aggregate	Employee Participants	11/13/2023	4 years	10 years	2.852	–	117,500	0	0	0	117,500
In aggregate	Employee Participants	12/4/2023	4 years	10 years	2.76	–	55,000	0	0	0	55,000
In aggregate	Employee Participants	3/4/2024	4 years	10 years	2.127	–	67,000	0	0	0	67,000
In aggregate	Employee Participants	4/1/2024	4 years	10 years	1.672	1.88	9,640,690	136,050	0	1,712,170	7,792,470
In aggregate	Employee Participants	5/14/2024	4 years	10 years	2.155	–	504,000	0	0	0	504,000
In aggregate	Employee Participants	6/3/2024	4 years	10 years	1.806	1.84	22,000	11,000	0	0	11,000
Total							35,033,990	147,050	0	3,632,540	31,254,400

Notes:

(1) Where the vesting period is five years, one-fifth of the options shall vest on each anniversary of the date of grant for the next five years, in each case, subject to the grantee's continued employment relationship with the Company on such vesting dates.

(2) Where the vesting period is four years, one-fourth of the options shall vest on each anniversary of the date of grant for the next four years, in each case, subject to the grantee's continued employment relationship with the Company on such vesting dates.

(3) Where the vesting period is three years, one-third of the options shall vest on each anniversary of the date of grant for the next three years, in each case, subject to the grantee's continued employment relationship with the Company on such vesting dates.

(4) The relevant portion of the options becomes exercisable upon vesting on each anniversary of the date of grant, with the validity period of the options, being ten years from the date of grant.

(5) The stated exercise (grant) price represents the higher of (i) the closing price of the underlying ADSs, divided by ten, on the date of grant, and (ii) the average closing price of the underlying ADSs, divided by ten, for the five Nasdaq trading days immediately preceding the date of grant.

(6) The stated price was the weighted-average closing price of the underlying ADSs as quoted on Nasdaq, divided by ten, on the trading day immediately prior to the date on which the options were exercised during the Reporting Period.

Non-Option Awards

As of June 30, 2026, the Company had conditionally granted certain RSUs and RSAs under the 2022 Plan. The purchase price for the grant of such non-option awards under the 2022 Plan was nil.

Details of the unvested non-option awards under the 2022 Plan are set out below:

						Number of shares underlying the non-option awards				
Name of grantee	Category of grantees	Type of award	Date of grant	Vesting period[1] [2] [3]	Price on day prior to vesting during the Reporting Period (in $)[4]	Unvested as of January 1, 2026	Vested during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Unvested as of June 30, 2026
Directors and chief executive of the Company										
Mr. Michel Vounatsos	Independent Director	RSA	3/3/2023	3 years	1.84	61,110	61,110	0	0	0
Dr. Samantha Du	Director, Chairperson and Chief Executive Officer	RSU	6/29/2023	4 years	1.80	359,400	179,700	0	0	179,700
Dr. Samantha Du	Director, Chairperson and Chief Executive Officer	RSU	4/3/2024	4 years	2.03	202,500	67,500	0	0	135,000

						Number of shares underlying the non-option awards				
Name of grantee	Category of grantees	Type of award	Date of grant	Vesting period[1] [2] [3]	Price on day prior to vesting during the Reporting Period (in $)[4]	Unvested as of January 1, 2026	Vested during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Unvested as of June 30, 2026
Employee Participants (other than chief executive)										
In aggregate	Employee Participants	RSU	8/15/2022	5 years	–	341,920	0	0	319,200	22,720
In aggregate	Employee Participants	RSU	9/12/2022	5 years	–	4,060	0	0	0	4,060
In aggregate	Employee Participants	RSU	10/3/2022	5 years	–	10,800	0	0	0	10,800
In aggregate	Employee Participants	RSU	11/14/2022	5 years	–	85,340	0	0	0	85,340
In aggregate	Employee Participants	RSU	12/12/2022	5 years	–	105,600	0	0	92,000	13,600
In aggregate	Employee Participants	RSU	12/30/2022	5 years	–	420,000	0	0	0	420,000
In aggregate	Employee Participants	RSU	3/6/2023	5 years	1.95	48,400	15,130	0	5,000	28,270
In aggregate	Employee Participants	RSU	4/3/2023	4 years	2.04	1,748,840	817,850	0	197,610	733,380
In aggregate	Employee Participants	RSU	5/15/2023	4 years	2.04	111,430	55,210	0	1,000	55,220
In aggregate	Employee Participants	RSU	6/7/2023	4 years	1.71	22,030	11,010	0	0	11,020
In aggregate	Employee Participants	RSU	7/3/2023	4 years	–	1,000	0	0	0	1,000
In aggregate	Employee Participants	RSU	8/14/2023	4 years	–	36,760	0	0	0	36,760
In aggregate	Employee Participants	RSU	9/18/2023	4 years	–	1,000	0	0	0	1,000
In aggregate	Employee Participants	RSU	10/2/2023	4 years	–	13,000	0	0	0	13,000
In aggregate	Employee Participants	RSU	11/13/2023	4 years	–	26,000	0	0	0	26,000
In aggregate	Employee Participants	RSU	12/4/2023	4 years	–	13,500	0	0	0	13,500

						Number of shares underlying the non-option awards				
Name of grantee	Category of grantees	Type of award	Date of grant	Vesting period[1] [2] [3]	Price on day prior to vesting during the Reporting Period (in $)[4]	Unvested as of January 1, 2026	Vested during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Unvested as of June 30, 2026
In aggregate	Employee Participants	RSU	3/4/2024	4 years	1.88	28,880	9,120	0	1,500	18,260
In aggregate	Employee Participants	RSU	4/1/2024	4 years	1.96	7,172,110	2,224,170	0	1,229,080	3,718,860
In aggregate	Employee Participants	RSU	5/14/2024	4 years	2.03	276,000	92,000	0	0	184,000
In aggregate	Employee Participants	RSU	6/3/2024	4 years	1.72	27,000	9,000	0	0	18,000
Total						11,116,680	3,541,800	0	1,845,390	5,729,490

Notes:

(1) Where the vesting period is five years, one-fifth of the RSUs shall vest on each anniversary of the date of grant for the next five years, in each case, subject to the grantee's continued employment relationship with the Company on such vesting dates.

(2) Where the vesting period is four years, one-fourth of the RSUs shall vest on each anniversary of the date of grant for the next four years, in each case, subject to the grantee's continued employment relationship with the Company on such vesting dates.

(3) Where the vesting period is three years, such RSAs shall vest ratably over three years on the anniversary of the date of grant, subject to the grantee's continued service as a member of the Board through such date.

(4) The stated price was the weighted-average closing price of the underlying ADSs as quoted on Nasdaq, divided by ten, on the trading day immediately prior to the date on which the applicable non-option awards were vested during the Reporting Period.

4. 2024 Plan

The 2024 Plan was approved at the Company's 2024 annual general meeting of shareholders on June 18, 2024. Under the 2024 Plan, the Compensation Committee may award share options, share appreciation rights, restricted shares, share units (including restricted share units), performance awards, unrestricted shares, and other types of awards that are convertible into or otherwise based on shares subject to such conditions and restrictions as it may determine. Dividend equivalents may also be provided in connection with awards under the 2024 Plan. The 2024 Plan is subject to the requirements under Chapter 17 of the HK Listing Rules, and all types of awards granted under the 2024 Plan which involve the issue of new shares or use of treasury shares (as defined in the HK Listing Rules) shall comply with Chapter 17 of the HK Listing Rules.

As at January 1, 2026 and June 30, 2026, the number of options and non-option awards available for grant under the 2024 Plan was 79,604,523 and 60,293,133, respectively.

Options

Details of the outstanding options under the 2024 Plan are set out below:

							Number of shares underlying the options			
Name of grantee	Category of grantees	Date of grant	Vesting period[1]	Exercise period[2]	Exercise (grant) price (in $)[3]	Price on day prior to exercise during the Reporting Period (in $)[4]	Outstanding as of January 1, 2026	Exercised during the Reporting Period[4]	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as of June 30, 2026
Directors and chief executive of the Company											
Dr. Samantha Du	Director, Chairperson and Chief Executive Officer	3/10//2025	4 years	10 years	3.469	–	2,525,850	0	0	0	2,525,850
Dr. Samantha Du	Director, Chairperson and Chief Executive Officer	3/11/2026	4 years	10 years	1.934	–	0	0	0	0	3,534,300
Employee Participants (other than chief executive)											
In aggregate	Employee Participants	7/1/2024	4 years	10 years	1.802	–	4,500	0	0	0	4,500
In aggregate	Employee Participants	9/9/2024	4 years	10 years	1.996	–	2,080	0	0	0	2,080
In aggregate	Employee Participants	10/7/2024	4 years	10 years	2.635	–	200,000	0	0	112,500	87,500
In aggregate	Employee Participants	3/3/2025	4 years	10 years	3.419	–	47,000	0	0	0	47,000
In aggregate	Employee Participants	3/12/2025	4 years	10 years	3.555	–	2,489,860	0	0	589,710	1,900,150
In aggregate	Employee Participants	4/1/2025	4 years	10 years	3.729	–	1,793,000	0	0	369,260	1,423,740
In aggregate	Employee Participants	7/2/2025	4 years	10 years	3.561	–	143,000	0	0	0	143,000
In aggregate	Employee Participants	9/8/2025	4 years	10 years	3.17	–	66,000	0	0	0	66,000
In aggregate	Employee Participants	10/1/2025	4 years	10 years	3.444	–	250,000	0	0	0	250,000
In aggregate	Employee Participants	11/10/2025	4 years	10 years	2.45	–	5,000	0	0	5,000	0
In aggregate	Employee Participants	12/1/2025	4 years	10 years	2.005	–	118,000	0	0	5,000	113,000
In aggregate	Employee Participants	3/2/2026	4 years	10 years	1.948	–	0	0	0	0	80,000
In aggregate	Employee Participants	3/4/2026	4 years	10 years	1.927	–	0	0	0	1,039,500	2,702,700
In aggregate	Employee Participants	4/1/2026	4 years	10 years	2.034	–	0	0	0	57,250	2,627,750
In aggregate	Employee Participants	5/11/2026	4 years	10 years	2.032	–	0	0	0	0	1,368,190
Total							7,644,290	0	0	2,178,220	16,875,760

Details of the options granted under the 2024 Plan during the Reporting Period are as follows:

									Number of shares underlying the options					
Name of grantee	Category of grantees	Date of grant	Vesting period[1]	Exercise period[2]	Exercise (grant) price (in $)[3]	Fair value on day of grant during the Reporting Period (in $)[5]	Price on day prior to grant during the Reporting Period (in $)[6]	Price on day prior to exercise during the Reporting Period (in $)[4]	Outstanding as of January 1, 2026	Granted during the Reporting Period	Exercised during the Reporting Period[4]	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as of June 30, 2026
Directors and chief executive of the Company														
Dr. Samantha Du	Director, Chairperson and Chief Executive Officer	3/11/2026	4 years	10 years	1.934	1.254	1.946	–	0	3,534,300	0	0	0	3,534,300
Employee Participants (other than chief executive)														
In aggregate	Employee Participants	3/2/2026	4 years	10 years	1.948	1.193	1.922	–	0	80,000	0	0	0	80,000
In aggregate	Employee Participants	3/4/2026	4 years	10 years	1.927	1.271	1.772	–	0	3,742,200	0	0	1,039,500	2,702,700
In aggregate	Employee Participants	4/1/2026	4 years	10 years	2.034	1.346	1.881	–	0	2,685,000	0	0	57,250	2,627,750
In aggregate	Employee Participants	5/11/2026	4 years	10 years	2.032	1.284	1.86	–	0	1,368,190	0	0	0	1,368,190
Total									0	11,409,690	0	0	1,096,750	10,312,940

Notes:

(1) Where the vesting period is four years, one-fourth of the options shall vest on each anniversary of the date of grant for the next four years, in each case, subject to the grantee's continued employment relationship with the Company on such vesting dates.

(2) The relevant portion of the options becomes exercisable upon vesting on each anniversary of the date of grant, with the validity period of the options, being ten years from the date of grant.

(3) The stated exercise (grant) price represents the higher of (i) the closing price of the underlying ADSs, divided by ten, on the date of grant, and (ii) the average closing price of the underlying ADSs, divided by ten, for the five Nasdaq trading days immediately preceding the date of grant.

(4) No options granted under the 2024 Plan during the Reporting Period had been vested and become exercisable as of June 30, 2026, and there was no exercise of options under the 2024 Plan during the Reporting Period.

(5) The fair value of options at the date of grant was determined on the basis of the Black-Scholes option valuation model, the key inputs into the model are as follows: (i) risk-free rate based on the average daily treasury rate at the time of grant for the period equal to the expected term; (ii) expected volatility primarily based on the historical volatility of the trading of the Shares on Nasdaq); (iii) expected dividends yield of zero as we have never paid dividends and do not currently anticipate paying any in the foreseeable future); and (iv) expected term which is based on the average period the share options are expected to remain outstanding. As the Company does not have sufficient historical information since its IPO to develop reasonable expectations about future exercise patterns and post-vesting employment termination behavior, the expected term of options granted is derived from the average midpoint between the weighted average vesting and the contractual term, also known as the simplified method.

(6) The stated price was the closing price of the underlying ADSs as quoted on Nasdaq, divided by ten, on the trading day immediately prior to the date of grant.

Non-Option Awards

As of June 30, 2026, the Company had conditionally granted certain RSUs, PSUs, and RSAs under the 2024 Plan. The purchase price for the grant of such non-option awards under the 2024 Plan was nil.

Details of the unvested non-option awards under the 2024 Plan are set out below:

						Number of shares underlying the non-option awards				
Name of grantee	Category of grantees	Type of award	Date of grant	Vesting period[1] [2] [3] [4]	Price on day prior to vesting during the Reporting Period (in $)[5]	Unvested as of January 1, 2026	Vested during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Unvested as of June 30, 2026
Directors and chief executive of the Company										
Dr. Samantha Du	Director, Chairperson and Chief Executive Officer	RSU	7/1/2024	4 years	–	540,000	0	0	0	540,000
Dr. Samantha Du	Director, Chairperson and Chief Executive Officer	RSU	3/10/2025	4 years	1.91	106,200	26,550	0	0	79,650
Dr. John Diekman	Independent Director	RSA	6/18/2025	1 year	1.79	108,310	108,310	0	0	0
Dr. Richard Gaynor	Independent Director	RSA	6/18/2025	1 year	1.79	108,310	108,310	0	0	0
Ms. Nisa Leung	Independent Director	RSA	6/18/2025	1 year	1.79	108,310	108,310	0	0	0
Mr. William Lis	Independent Director	RSA	6/18/2025	1 year	1.79	108,310	108,310	0	0	0
Mr. Scott W. Morrison	Independent Director	RSA	6/18/2025	1 year	1.79	108,310	108,310	0	0	0
Mr. Leon O. Moulder, Jr.	Director	RSA	6/18/2025	1 year	1.79	108,310	108,310	0	0	0
Mr. Michel Vounatsos	Independent Director	RSA	6/18/2025	1 year	1.79	108,310	108,310	0	0	0
Mr. Peter Wirth	Independent Director	RSA	6/18/2025	1 year	1.79	108,310	108,310	0	0	0
Dr. Samantha Du	Director, Chairperson and Chief Executive Officer	RSU	7/2/2025	4 years	–	441,940	0	0	0	441,940
Dr. Samantha Du	Director, Chairperson and Chief Executive Officer	PSU	7/2/2025	(3)	–	365,420	0	0	109,630	255,790
Dr. Samantha Du	Director, Chairperson and Chief Executive Officer	RSU	3/11/2026	4 years	–	0	0	0	0	324,190

						Number of shares underlying the non-option awards				
Name of grantee	Category of grantees	Type of award	Date of grant	Vesting period[1] [2] [3] [4]	Price on day prior to vesting during the Reporting Period (in $)[5]	Unvested as of January 1, 2026	Vested during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Unvested as of June 30, 2026
Dr. John Diekman	Independent Director	RSA	6/17/2026	1 year	–	0	0	0	0	223,710
Dr. Richard Gaynor	Independent Director	RSA	6/17/2026	1 year	–	0	0	0	0	223,710
Ms. Nisa Leung	Independent Director	RSA	6/17/2026	1 year	–	0	0	0	0	223,710
Mr. William Lis	Independent Director	RSA	6/17/2026	1 year	–	0	0	0	0	223,710
Mr. Scott W. Morrison	Independent Director	RSA	6/17/2026	1 year	–	0	0	0	0	223,710
Mr. Leon O. Moulder, Jr.	Director	RSA	6/17/2026	1 year	–	0	0	0	0	223,710
Mr. Michel Vounatsos	Independent Director	RSA	6/17/2026	1 year	–	0	0	0	0	223,710
Mr. Peter Wirth	Independent Director	RSA	6/17/2026	1 year	–	0	0	0	0	223,710
Employee Participants (other than chief executive)										
In aggregate	Employee Participants	RSU	7/1/2024	4 years	–	6,750	0	0	0	6,750
In aggregate	Employee Participants	RSU	8/12/2024	4 years	–	51,000	0	0	1,500	49,500
In aggregate	Employee Participants	RSU	9/9/2024	4 years	–	69,170	0	0	0	69,170
In aggregate	Employee Participants	RSU	10/7/2024	4 years	–	174,000	0	0	112,500	61,500
In aggregate	Employee Participants	RSU	11/18/2024	4 years	–	107,250	0	0	0	107,250
In aggregate	Employee Participants	RSU	12/2/2024	4 years	–	3,000	0	0	0	3,000
In aggregate	Employee Participants	RSU	3/3/2025	4 years	1.83	96,000	24,000	0	0	72,000
In aggregate	Employee Participants	RSU	3/12/2025	4 years	1.91	809,170	202,270	0	191,650	415,250
In aggregate	Employee Participants	PSU	3/12/2025	(3)	–	809,170	0	0	421,640	387,530
In aggregate	Employee Participants	RSU	4/1/2025	4 years	1.99	3,795,500	901,280	0	280,630	2,613,590
In aggregate	Employee Participants	PSU	4/1/2025	(3)	–	262,000	0	0	157,700	104,300
In aggregate	Employee Participants	RSU	5/12/2025	4 years	1.95	98,000	24,500	0	67,500	6,000
In aggregate	Employee Participants	RSU	6/3/2025	4 years	1.72	6,040	1,500	0	0	4,540
In aggregate	Employee Participants	RSU	7/2/2025	4 years	–	145,500	0	0	0	145,500
In aggregate	Employee Participants	RSU	8/11/2025	4 years	–	33,000	0	0	0	33,000
In aggregate	Employee Participants	RSU	9/8/2025	4 years	–	98,930	0	0	0	98,930
In aggregate	Employee Participants	RSU	10/1/2025	4 years	–	321,500	0	0	0	321,500
In aggregate	Employee Participants	RSU	11/10/2025	4 years	–	721,000	0	0	35,000	686,000
In aggregate	Employee Participants	RSU	12/1/2025	4 years	–	226,650	0	0	5,000	221,650
In aggregate	Employee Participants	RSU	3/2/2026	4 years	–	0	0	0	0	123,440
In aggregate	Employee Participants	RSU	3/4/2026	4 years	–	0	0	0	337,830	878,370
In aggregate	Employee Participants	PSU	3/4/2026	(4)	–	0	0	0	506,740	1,317,540
In aggregate	Employee Participants	RSU	4/1/2026	4 years	–	0	0	0	104,750	5,933,760

						Number of shares underlying the non-option awards				
Name of grantee	Category of grantees	Type of award	Date of grant	Vesting period[1] [2] [3] [4]	Price on day prior to vesting during the Reporting Period (in $)[5]	Unvested as of January 1, 2026	Vested during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Unvested as of June 30, 2026
In aggregate	Employee Participants	PSU	4/1/2026	(4)	–	0	0	0	0	337,810
In aggregate	Employee Participants	RSU	5/11/2026	4 years	–	0	0	0	0	752,880
In aggregate	Employee Participants	RSU	6/1/2026	4 years	–	0	0	0	0	5,000
Total						10,153,670	2,046,580	0	2,332,070	18,187,010

Details of the non-option awards granted under the 2024 Plan during the Reporting Period are as follows:

								Number of shares underlying the non-option awards				
Name of grantee	Category of grantees	Type of award	Date of grant	Vesting period[1] [2] [3] [4]	Fair value on day of grant during the Reporting Period (in $)[6]	Price on day prior to grant during the Reporting Period (in $)[7]	Price on day prior to vesting during the Reporting Period (in $)[5]	Unvested as of January 1, 2026	Granted during the Reporting Period	Vested during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Unvested as of June 30, 2026
Directors and chief executive of the Company													
Dr. Samantha Du	Director, Chairperson and Chief Executive Officer	RSU	3/11/2026	4 years	1.907	1.946	-	0	324,190	0	0	0	324,190
Dr. John Diekman	Independent Director	RSA	6/17/2026	1 year	1.788	1.773	–	0	223,710	0	0	0	223,710
Dr. Richard Gaynor	Independent Director	RSA	6/17/2026	1 year	1.788	1.773	–	0	223,710	0	0	0	223,710
Ms. Nisa Leung	Independent Director	RSA	6/17/2026	1 year	1.788	1.773	–	0	223,710	0	0	0	223,710
Mr. William Lis	Independent Director	RSA	6/17/2026	1 year	1.788	1.773	–	0	223,710	0	0	0	223,710
Mr. Scott W. Morrison	Independent Director	RSA	6/17/2026	1 year	1.788	1.773	–	0	223,710	0	0	0	223,710
Mr. Leon O. Moulder, Jr.	Director	RSA	6/17/2026	1 year	1.788	1.773	–	0	223,710	0	0	0	223,710
Mr. Michel Vounatsos	Independent Director	RSA	6/17/2026	1 year	1.788	1.773	–	0	223,710	0	0	0	223,710
Mr. Peter Wirth	Independent Director	RSA	6/17/2026	1 year	1.788	1.773	–	0	223,710	0	0	0	223,710

								Number of shares underlying the non-option awards				
Name of grantee	Category of grantees	Type of award	Date of grant	Vesting period[1] [2] [3] [4]	Fair value on day of grant during the Reporting Period (in $)[6]	Price on day prior to grant during the Reporting Period (in $)[7]	Price on day prior to vesting during the Reporting Period (in $)[5]	Unvested as of January 1, 2026	Granted during the Reporting Period	Vested during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Unvested as of June 30, 2026
Employee Participants (other than chief executive)													
In aggregate	Employee Participants	RSU	3/2/2026	4 years	1.842	1.922	–	0	123,440	0	0	0	123,440
In aggregate	Employee Participants	RSU	3/4/2026	4 years	1.927	1.772	–	0	1,216,200	0	0	337,830	878,370
In aggregate	Employee Participants	PSU	3/4/2026	(4)	1.881	1.772	–	0	1,824,280	0	0	506,740	1,317,540
In aggregate	Employee Participants	RSU	4/1/2026	4 years	2.034	1.881	–	0	6,038,510	0	0	104,750	5,933,760
In aggregate	Employee Participants	PSU	4/1/2026	(4)	2.034	1.881	–	0	337,810	0	0	0	337,810
In aggregate	Employee Participants	RSU	5/11/2026	4 years	1.959	1.860	–	0	752,880	0	0	0	752,880
In aggregate	Employee Participants	RSU	6/1/2026	4 years	1.709	1.769	–	0	5,000	0	0	0	5,000
Total								0	12,411,990	0	0	949,320	11,462,670

Notes:

(1) Where the vesting period is four years, one-fourth of the RSUs shall vest on each anniversary of the date of grant for the next four years, in each case, subject to the grantee's continued employment relationship with the Company on such vesting dates.

(2) Where the vesting period is one year, such RSAs shall vest in full on the first anniversary of the date of grant, subject to the grantee's continued service as a member of the Board through such date.

(3) The PSUs shall vest on the third anniversary of the date of grant, subject to the grantee's continued employment relationship with the Company through the vesting date and the achievement of the performance targets set forth in the award agreement for the January 1, 2025 through December 31, 2025 performance period. In no event shall more than one hundred and fifty percent (150%) of the target Performance Share Units become vested. The unearned awards at the end of the performance period from January 1, 2025 to December 31, 2025 lapsed during the Reporting Period.

(4) The PSUs shall vest on the third anniversary of the date of grant, subject to the grantee's continued employment relationship with the Company up to the vesting date and the achievement of the performance targets set forth in the award agreement for the January 1, 2026 through December 31, 2028 performance period.

(5) The stated price was the weighted-average closing price of the underlying ADSs as quoted on Nasdaq, divided by ten, on the trading day immediately prior to the date on which the applicable non-option awards were vested during the Reporting Period. None of the non-option awards granted under the 2024 Plan during the Reporting Period had been vested as of June 30, 2026.

(6) The fair value of non-option awards at the date of grant was determined based on the closing price of the underlying ADSs as quoted on Nasdaq, divided by ten, on the date of grant or the immediately following trading day if the date of grant is not a Nasdaq trading day.

(7) The stated price was the closing price of the underlying ADSs as quoted on Nasdaq, divided by ten, on the trading day immediately prior to the date of grant.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company's corporate governance practices are based on the principles and code provisions set forth in Part 2 of the CG Code.

Pursuant to code provision C.2.1 of the CG Code, companies listed on the Hong Kong Stock Exchange are expected to comply with, but may choose to deviate from, the requirement that the responsibilities of the Chairperson and the Chief Executive Officer should be segregated and should not be performed by the same individual. Dr. Samantha Du currently serves as our Chairperson and Chief Executive Officer. The Board believes that Dr. Du is the director best suited to serve as Chairperson, including due to her ability to identify strategic opportunities for the Company and areas of focus for the Board of Directors, her extensive understanding of our business as our founder and Chief Executive Officer and her deep knowledge of our industry. The Board also believes that the combined role of Chairperson and Chief Executive Officer promotes effective execution of strategic initiatives and facilitates the flow of information between management and the Board. The Board believes that the balance of power and authority on the Board will not be impaired due to this arrangement. The Board will continue to review the corporate governance structure and practices from time to time and shall make changes the Board considers appropriate.

Except as disclosed above, during the Reporting Period, the Company has complied with the code provisions set out in Part 2 of the CG Code.

The Board will continue to periodically review and monitor its corporate governance practices for compliance with Part 2 of the CG Code and maintain a high standard of corporate governance practices of the Company.

COMPLIANCE WITH POLICIES EQUIVALENT TO THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted its own securities dealing policies on terms no less exacting than those in the Model Code regarding director dealings in the securities of the Company.

Having made specific enquiry of all the Directors, all of the Directors confirmed that they have complied with the required standards set forth in the Company's securities dealing policies during the Reporting Period.

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

During the Reporting Period, the Company did not purchase, sell, or redeem any of the Company's listed securities.

During the Reporting Period and as at June 30, 2026, the Company did not have any treasury shares (as defined in the HK Listing Rules).

DISCLOSURE OF CHANGES IN DIRECTORS' INFORMATION PURSUANT TO RULE 13.51(B)(1) OF THE HK LISTING RULES

Upon specific enquiry by the Company and following confirmations from Directors, except as disclosed hereunder, there is no change in the information of Directors required to be disclosed pursuant to Rule 13.51(B)(1) of the HK Listing Rules during the Reporting Period. The changes in Directors' information are set forth below.

Director	Changes in Positions held with the Company
Mr. Leon O. Moulder, Jr.	Ceased to be a member of the Compensation Committee with effect from February 24, 2026; Appointed as a member of the Research and Development Committee and ceased to be Chair of the Nominating and Corporate Governance Committee with effect from February 27, 2026; Re-designated as a director of the Company with effect from March 5, 2026;
Dr. Richard Gaynor	Appointed as a member of the Compensation Committee with effect from February 24, 2026
Dr. Samantha Du	Ceased to be a member of the Commercial Committee with effect from February 27, 2026
Dr. John Diekman	Appointed as Chair of the Nominating and Corporate Governance Committee and ceased to be a member of the Audit Committee with effect from February 27, 2026
Mr. William Lis	Appointed as a member of the Audit Committee and a member of the Commercial Committee and ceased to be a member of the Nominating and Corporate Governance Committee with effect from February 27, 2026
Mr. Michel Vounatsos	Appointed as a member of the Nominating and Corporate Governance Committee with effect from February 27, 2026
Mr. Peter Wirth	Appointed as a member of the Nominating and Corporate Governance Committee with effect from February 27, 2026

USE OF NET PROCEEDS

Use of Net Proceeds from the April 2021 Offering

In April 2021, the Company issued 224,000 ordinary shares (equivalent to 2,240,000 ordinary shares after the Share Subdivision) of the Company at a price of HK$1,164.20 per share (equivalent to HK$116.42 per ordinary share after the Share Subdivision) and 5,492,400 ADSs at a price of $150.00 per ADS for aggregate cash consideration (before deducting underwriting discounts and commissions and other offering expenses) of approximately $857.5 million.

As of the date of this report, there has been no change in the intended use of net proceeds raised from this offering, which amounted to approximately $818.0 million.

The following table sets forth a summary of the intended use and the utilization of the net proceeds from this offering as of June 30, 2026 ($ in millions):

Purpose	Percentage to total amount	Net proceeds from the offering	Amount of net proceeds unutilized as of January 1, 2026	Amount of net proceeds utilized during the Reporting Period	Actual use of proceeds up to June 30, 2026	Unutilized amount as of June 30, 2026	Expected timeline for use of unutilized proceeds
Fund new business and corporate development and licensing opportunities	30.0%	245.4	208.9	37.0	73.5	171.9	By December 2027
Complete clinical trials and advance new drug candidates	30.0%	245.4	–	–	245.4	–	Not applicable
Expand the Company's commercialization efforts	20.0%	163.6	–	–	163.6	–	Not applicable
Enhance the Company's global pipeline	15.0%	122.7	47.4	10.6	85.9	36.8	By December 2027
Working capital and other general corporate purposes	5.0%	40.9	40.9	–	–	40.9	By December 2027
Total	100.0%	818.0	297.2	47.6	568.4	249.6	

The Company plans to gradually utilize the remaining net proceeds from the April 2021 offering in accordance with such intended purpose. The expected timeline is based on the best estimation of future market conditions and business operations made by the Company, and remains subject to change based on current and future development of market conditions and actual business needs.

Use of Net Proceeds from the Global Offering

Dealings in ordinary shares on the Hong Kong Stock Exchange commenced on September 28, 2020. The net proceeds raised from the Global Offering as described in the Prospectus, after deduction of the underwriting fees and commissions and other estimated expenses payable by the Company in connection with the Global Offering, were approximately HK$6,636.2 million ($850.8 million). The intended uses for the net proceeds received by the Company from the Global Offering, as previously disclosed in "Use of Proceeds" in the Prospectus and as modified per the announcement of Zai Lab Limited dated March 28, 2024.

The following table presents a summary of the intended use and the utilization of the net proceeds from the Global Offering as of June 30, 2026 ($ in millions):

Purpose	Percentage to total amount	Net proceeds from the offering	Amount of net proceeds unutilized as of January 1, 2026	Amount of net proceeds utilized during the Reporting Period	Actual use of proceeds up to June 30, 2026	Unutilized amount as of June 30, 2026	Expected timeline for use of unutilized proceeds
For ZEJULA to seek indication expansion and hire high-caliber R&D staff dedicated to its development, and to develop and improve the Company's manufacturing facilities to bring ZEJULA to commercialization	7.2%	61.6	–	–	61.6	–	Not Applicable
Fund ongoing and planned clinical trials and preparation for registration filings of Tumor Treating Fields in multiple solid tumor cancer indications	6.2%	52.7	26.8	1.2	27.1	25.6	By December 2027
For ZEJULA to enhance the Company's commercialization capabilities through increasing its sales and marketing headcounts, among other efforts	16.0%	136.1	–	–	136.1	–	Not Applicable
Strengthen commercialization efforts for Tumor Treating Fields through recruiting key talents in relevant indications to drive sales and future potential product launch	8.0%	68.1	–	–	68.1	–	Not Applicable
Fund the Company's ongoing and planned clinical trials and preparation for registration filings of other drug candidates in the pipeline, especially late-stage drug candidates	20.6%	174.9	–	–	174.9	–	Not applicable
Explore new global licensing and collaboration opportunities and bring in potentially global best-in-class/first-in-class assets with clinical validation, synergistic with the Company's current pipeline and aligned to its expertise	25.0%	212.7	–	–	212.7	–	Not applicable
Continue investing in and expanding the Company's internal discovery pipeline and recruit and train talent globally	7.0%	59.6	–	–	59.6	–	Not applicable
Fund working capital and other general corporate purposes	10.0%	85.1	30.7	28.6	83.0	2.1	By December 2026
Total	100.0%	850.8	57.5	29.8	823.1	27.7	

During the Reporting Period, there was no change in the intended use of net proceeds as previously disclosed in the section "Use of Proceeds" in the Prospectus and the announcement of Zai Lab Limited dated March 28, 2024.

The Company plans to gradually utilize the remaining net proceeds from the Global Offering in accordance with such intended purposes. The expected timeline is based on the best estimation of future market conditions and business operations made by the Company, and remains subject to change based on current and future development of market conditions and actual business needs.

DIFFERENCES BETWEEN U.S. GAAP AND IFRS

The financial statements for the six months ended June 30, 2026 are prepared under U.S. GAAP and reviewed by the Audit Committee, and the differences between U.S. GAAP and IFRS have been disclosed in *Note 20* to the Company's unaudited condensed consolidated financial statements.

Basis of Preparation

The Directors of the Company are responsible for the preparation of the Reconciliation Statement, as disclosed in *Note 20* to the Company's unaudited condensed consolidated financial statements in accordance with the relevant requirements of the HK Listing Rules and relevant guidance in HKEX-GL111-22.

Reconciliation Process

The process applied in the preparation of Reconciliation Statement includes:

(i) Extracting relevant financial information from the Company's unaudited condensed consolidated financial statements for the six months ended June 30, 2026 prepared in accordance with U.S. GAAP as the "Amounts as reported under U.S. GAAP" in respect of the unaudited condensed consolidated statements of operations for the six months ended June 30, 2026 and 2025 and the condensed consolidated balance sheets as of June 30, 2026 (unaudited) and December 31, 2025;

(ii) Identifying changes to the accounting policies under U.S. GAAP which are considered necessary in order for the accounting policies to conform to the relevant requirements of IFRS and quantifying the financial effects resulting from such changes; and

(iii) Preparing the description of the reconciliating items to explain the differences in the accounting policies.

AUDIT COMMITTEE REVIEW OF FINANCIAL STATEMENTS

The Audit Committee oversees the accounting and financial reporting processes of the Company and the audits of the Company's financial statements, including but not limited to assisting the Board in its oversight of the integrity of the consolidated financial statements of the Company, the Company's compliance program, and the Company's risk management and internal control over financial reporting. The Audit Committee consists of three members, namely Mr. Scott W. Morrison, Mr. William Lis, and Mr. Peter Wirth, all of whom are independent Directors. Mr. Morrison is the chairperson of the Audit Committee.

The Audit Committee has reviewed the unaudited condensed consolidated financial statements and interim results of the Company for the six months ended June 30, 2026, including the Reconciliation Statement. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal controls with members of senior management and the external auditors of the Company.

OTHER BOARD COMMITTEES

In addition to the Audit Committee, the Board has a Compensation Committee, a Nominating and Corporate Governance Committee, a Research and Development Committee, and a Commercial Committee.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

There were no important events after the Reporting Period and up to the date of this report.

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands of $, except for number of shares and per share data)

	Notes	June 30, 2026	December 31, 2025
Assets			
Current assets			
Cash and cash equivalents	3	607,522	679,573
Restricted cash, current		100,000	100,000
Short-term investments		10,000	10,000
Accounts receivable (net of allowance for credit losses of $20 and $31 as of June 30, 2026 and December 31, 2025, respectively)	18	69,595	106,116
Notes receivable		3,395	12,169
Inventories, net	4	90,890	74,745
Prepayments and other current assets		32,635	36,683
Total current assets		914,037	1,019,286
Restricted cash, non-current		1,118	1,116
Property and equipment, net	5	46,431	47,389
Operating lease right-of-use assets		16,159	19,152
Land use rights, net		2,883	2,853
Intangible assets, net	6	85,774	76,144
Deferred tax assets		4,848	3,390
Other non-current assets		3,543	3,054
Total assets		1,074,793	1,172,384
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable	19	136,692	141,608
Current operating lease liabilities		5,025	6,344
Short-term debt	10	238,104	204,530
Other current liabilities	11	48,763	63,684
Total current liabilities		428,584	416,166
Deferred income		27,500	27,333
Non-current operating lease liabilities		11,447	13,385
Other non-current liabilities		225	—
Total liabilities		467,756	456,884

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS (CONTINUED)

(in thousands of $, except for number of shares and per share data) (Continued)

	Notes	June 30, 2026	December 31, 2025
Commitments and contingencies (Note 16)			
Shareholders' equity			
Ordinary shares (par value of $0.000006 per share; 5,000,000,000 shares authorized; 1,132,222,310 and 1,113,822,550 shares issued as of June 30, 2026 and December 31, 2025, respectively; 1,122,445,390 and 1,106,389,340 shares outstanding as of June 30, 2026 and December 31, 2025, respectively)		7	7
Additional paid-in capital		3,370,798	3,343,469
Accumulated deficit		(2,730,461)	(2,628,620)
Accumulated other comprehensive income		214	29,697
Treasury Stock (at cost, 9,776,920 and 7,433,210 shares as of June 30, 2026 and December 31, 2025, respectively)		(33,521)	(29,053)
Total shareholders' equity		607,037	715,500
Total liabilities and shareholders' equity		1,074,793	1,172,384

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands of $, except for number of shares and per share data)

	Notes	Six Months Ended June 30, 2026	2025
Revenues			
Product revenue, net	7	201,307	214,735
Collaboration revenue	7	4,615	1,729
Total revenues		205,922	216,464
Expenses			
Cost of product revenue		(86,477)	(81,455)
Cost of collaboration revenue		(20)	(412)
Research and development		(127,357)	(111,343)
Selling, general, and administrative		(137,942)	(134,460)
Loss from operations		(145,874)	(111,206)
Interest income		12,326	17,449
Interest expenses		(3,224)	(2,449)
Foreign currency gains		29,902	3,488
Other income, net		5,447	3,553
Loss before income tax		(101,423)	(89,165)
Income tax expense	8	(418)	—
Net loss		(101,841)	(89,165)
Loss per share — basic and diluted	9	(0.09)	(0.08)
Weighted-average shares used in calculating net loss per ordinary share — basic and diluted		1,112,208,460	1,086,413,130

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(in thousands of $)

	Six Months Ended June 30,	
	2026	2025
Net loss	(101,841)	(89,165)
Other comprehensive loss, net of tax of nil:		
Foreign currency translation adjustments	(29,483)	(4,167)
Comprehensive loss	(131,324)	(93,332)

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

(in thousands of $, except for number of shares)

	Ordinary Shares		Additional		Accumulated other	Treasury Stock		
	Number of Shares	Amount	paid in capital	Accumulated deficit	comprehensive income	Shares	Amount	Total
Balance at December 31, 2025	1,113,822,550	7	3,343,469	(2,628,620)	29,697	(7,433,210)	(29,053)	715,500
Issuance of ordinary shares upon vesting of restricted shares	8,956,860	0	0	—	—	—	—	—
Exercise of share options	9,442,900	0	1,864	—	—	—	—	1,864
Receipt of shares netted to satisfy tax withholding obligations related to share-based compensation	—	—	—	—	—	(2,343,710)	(4,468)	(4,468)
Share-based compensation	—	—	25,465	—	—	—	—	25,465
Net loss	—	—	—	(101,841)	—	—	—	(101,841)
Foreign currency translation	—	—	—	—	(29,483)	—	—	(29,483)
Balance at June 30, 2026	1,132,222,310	7	3,370,798	(2,730,461)	214	(9,776,920)	(33,521)	607,037
Balance at December 31, 2024	1,082,614,740	7	3,264,295	(2,453,083)	50,515	(4,912,200)	(20,836)	840,898
Issuance of ordinary shares upon vesting of restricted shares	9,835,660	0	0	—	—	—	—	—
Exercise of share options	11,582,510	0	11,451	—	—	—	—	11,451
Issuance cost of the follow-on public offering	—	—	(28)	—	—	—	—	(28)
Receipt of shares netted to satisfy tax withholding obligations related to share-based compensation	—	—	—	—	—	(7,820)	(27)	(27)
Share-based compensation	—	—	32,773	—	—	—	—	32,773
Net loss	—	—	—	(89,165)	—	—	—	(89,165)
Foreign currency translation	—	—	—	—	(4,167)	—	—	(4,167)
Balance at June 30, 2025	1,104,032,910	7	3,308,491	(2,542,248)	46,348	(4,920,020)	(20,863)	791,735

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements. "0" in above table means less than 1,000 dollars.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands of $)

	Six Months Ended June 30,	
	2026	2025
Cash flows from operating activities		
Net loss	(101,841)	(89,165)
Adjustments to reconcile net loss to net cash used in operating activities:		
Allowance for credit losses	(11)	1
Inventory write-down	6,082	294
Depreciation and amortization expenses	8,117	7,193
Amortization of deferred income	(2,861)	(2,661)
Share-based compensation	25,465	32,773
Loss from fair value changes of equity investment with readily determinable fair value	—	1,912
Losses on disposal of property and equipment	33	211
Noncash lease expenses	3,479	5,377
Debt issuance costs	—	104
Foreign currency remeasurement impact	(29,902)	(3,488)
Changes in operating assets and liabilities:		
Accounts receivable	39,031	(2,945)
Notes receivable	9,042	(6,611)
Inventories	(21,827)	(22,096)
Prepayments and other current assets	4,719	854
Deferred tax assets	(1,350)	—
Other non-current assets	(418)	51
Accounts payable	2,882	6,474
Other current liabilities	(16,403)	(15,948)
Operating lease liabilities	(2,144)	(5,418)
Deferred income	2,364	365
Other non-current liabilities	225	—
Net cash used in operating activities	(75,318)	(92,723)
Cash flows from investing activities		
Proceeds from maturity of short-term investment	—	330,000
Proceeds from the sale of equity investment	—	1,203
Purchases of property and equipment	(2,504)	(4,419)
Proceeds from the sale of property and equipment	45	48
Acquisition of intangible assets	(21,246)	(3,621)
Net cash (used in) provided by investing activities	(23,705)	323,211

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

(in thousands of $) (Continued)

	Six Months Ended June 30,	
	2026	2025
Cash flows from financing activities		
Proceeds from short-term debt	156,890	124,349
Repayment of short-term bank borrowings	(129,919)	(82,818)
Payments of debt issuance costs	—	(104)
Proceeds from exercises of stock options	1,779	11,444
Payments of public offering costs	—	(854)
Employee taxes paid related to net share settlement of equity awards	(4,472)	(27)
Net cash provided by financing activities	24,278	51,990
Effect of foreign exchange rate changes on cash, cash equivalents and restricted cash	2,696	125
Net (decrease) increase in cash, cash equivalents and restricted cash	(72,049)	282,603
Cash, cash equivalents and restricted cash — beginning of period	780,689	550,781
Cash, cash equivalents and restricted cash — end of period	708,640	833,384
Supplemental disclosure on non-cash investing and financing activities		
Payables for purchase of property and equipment	402	2,498
Payables for acquisition of intangible assets	11,353	2,419
Payables for public offering costs	168	168
Receivables for stock option exercise under equity incentive plans	85	77
Supplemental disclosure of cash flow information		
Cash paid for interest	2,864	2,301
Cash paid for income tax	995	—

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION AND PRINCIPAL ACTIVITIES

Zai Lab Limited was incorporated on March 28, 2013 in the Cayman Islands as an exempted company with limited liability under the Companies Act of the Cayman Islands (as amended). Zai Lab Limited and its subsidiaries are focused on discovering, developing, and commercializing products that address medical conditions with significant unmet needs in the areas of oncology, immunology, neuroscience, and infectious disease.

The Company's principal operations and geographic markets are in Greater China. The Company has a substantial presence in Greater China and the United States.

2. BASIS OF PRESENTATION AND CONSOLIDATION AND SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with U.S. GAAP, and applicable rules and regulations of the SEC, and the disclosure requirements of the HK Listing Rules regarding interim financial reporting. Certain information and note disclosures normally included in the financial statements prepared in accordance with U.S. GAAP and the HK Listing Rules have been condensed or omitted pursuant to such rules and regulations. As such, the information included in this report should be read in conjunction with the consolidated financial statements and accompanying notes included in the 2025 Annual Report. The December 31, 2025 condensed consolidated balance sheet data included in this report were derived from the audited financial statements in the 2025 Annual Report.

The accompanying unaudited condensed consolidated financial statements reflect all normal recurring adjustments that are necessary to present fairly the results for the interim periods presented. Interim results are not necessarily indicative of the results for the year ending December 31, 2026.

(b) Principles of Consolidation

The unaudited condensed consolidated financial statements include the accounts of Zai Lab Limited and its subsidiaries, which are wholly owned. All intercompany transactions and balances are eliminated upon consolidation.

2. BASIS OF PRESENTATION AND CONSOLIDATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Use of Estimates

The preparation of the unaudited condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Areas where management uses subjective judgment include, but are not limited to, accrual of rebates, recognition of research and development expenses based on the Company's estimates of the actual services performed by CROs and CMOs, fair value of share-based compensation expenses, recoverability of deferred tax assets, and useful life of intangible assets for commercial products. These estimates, judgments, and assumptions can affect the reported amounts of assets and liabilities as of the date of the financial statements as well as the reported amounts of revenues and expenses during the periods presented. Actual results could differ from these estimates.

(d) Fair Value Measurements

Financial instruments of the Company primarily include cash and cash equivalents, current restricted cash, short-term investments, accounts receivable, notes receivable, prepayments and other current assets, non-current restricted cash, accounts payable, short-term debt, and other current liabilities. As of June 30, 2026 and December 31, 2025, the carrying values of cash and cash equivalents, current restricted cash, short-term investments, accounts receivable, prepayments and other current assets, accounts payable, short-term debt, and other current liabilities approximated their fair value due to the short-term maturity of these instruments, and the carrying value of notes receivable and non-current restricted cash approximated their fair value based on the assessment of the ability to recover these amounts.

(e) Recent Accounting Pronouncements

Recently Issued Accounting Pronouncements Not Yet Adopted

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement — Reporting Comprehensive Income — Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses.* This ASU requires disclosure in the notes to the financial statements of specified information about certain costs and expenses. This ASU will be effective for annual reporting periods beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027. Early adoption is permitted. This ASU will result in the required additional disclosures being included in the notes to consolidated financial statements, once adopted. The Company is currently evaluating the impact of this ASU and expects to adopt it for the year ending December 31, 2027.

For additional information on the Company's significant accounting policies, refer to the notes to the consolidated financial statements in the 2025 Annual Report.

3. CASH AND CASH EQUIVALENTS

The following table presents the Company's cash and cash equivalents ($ in thousands):

	June 30, 2026	December 31, 2025
Cash	606,287	678,358
Cash equivalents (i)	1,235	1,215
	607,522	679,573
Denominated in:		
US$	582,184	651,196
Renminbi (ii)	21,032	25,358
Hong Kong dollar	3,573	2,020
Australian dollar	545	538
Taiwan dollar	188	461
	607,522	679,573

(i) Cash equivalents represent short-term and highly liquid investments in a money market fund.

(ii) Certain cash and bank balances denominated in RMB were deposited with banks in mainland China. The conversion of these RMB-denominated balances into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the Chinese government.

4. INVENTORIES, NET

The following table presents the Company's inventories, net ($ in thousands):

	June 30, 2026	December 31, 2025
Finished goods	58,460	45,848
Raw materials	27,117	23,106
Work in progress	5,313	5,791
Inventories, net	90,890	74,745

The Company writes down inventory for any excess or obsolete inventory or when the Company believes that the net realizable value of inventory is less than the carrying value. The Company recorded write-downs in inventory, which were included in cost of product revenue, of $6.1 million in the six months ended June 30, 2026 and $0.3 million in the six months ended June 30, 2025. The inventory write-down in the six months ended June 30, 2026 was mainly related to VYVGART Hytrulo.

5. PROPERTY AND EQUIPMENT, NET

The following table presents the components of the Company's property and equipment, net ($ in thousands):

	June 30, 2026	December 31, 2025
Office equipment	1,217	1,201
Electronic equipment	12,441	10,964
Vehicle	206	200
Laboratory equipment	20,392	20,040
Manufacturing equipment	18,562	17,948
Leasehold improvements	14,441	14,049
Building	25,383	24,596
Construction in progress	952	554
	93,594	89,552
Less: accumulated depreciation	(47,163)	(42,163)
Property and equipment, net	46,431	47,389

Depreciation expense was $4.7 million in the six months ended June 30, 2026 and $4.3 million in the six months ended June 30, 2025.

6. INTANGIBLE ASSETS, NET

The following table presents the components of the Company's intangible assets, net ($ in thousands):

	June 30, 2026			December 31, 2025		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Value	Gross Carrying Amount	Accumulated Amortization	Net Carrying Value
Finite-lived intangible assets						
Commercial products (i)	96,523	(11,511)	85,012	83,203	(8,056)	75,147
Software	4,576	(3,814)	762	4,461	(3,464)	997
Total	101,099	(15,325)	85,774	87,664	(11,520)	76,144

(i) The increase in the net carrying value is primarily driven by $10.0 million of regulatory milestone fees for Tisotumab Vedotin (*see Note 14*).

6. INTANGIBLE ASSETS, NET (CONTINUED)

Intangible assets for commercial products include capitalized post-approval milestone fees and acquired commercial manufacturing know-how and related development costs. The Company is amortizing intangible assets for commercial products as cost of product revenue over the estimated remaining useful life of the related products. Intangible assets for externally purchased software are amortized over three to five years on a straight-line basis.

Amortization expense was $3.4 million in the six months ended June 30, 2026 and $2.9 million in the six months ended June 30, 2025. The weighted-average remaining amortization period for intangible assets for commercial products and software was 8.7 years and 2.0 years, respectively.

7. REVENUES

Product Revenue, Net

The Company's product revenue is derived from the sales of its commercial products in Greater China. The table below presents the Company's gross and net product revenue ($ in thousands):

	Six Months Ended June 30,	
	2026	2025
Product revenue — gross	215,929	228,863
Less: Rebates and sales returns	(14,622)	(14,128)
Product revenue — net	201,307	214,735

Sales rebates are offered to distributors in mainland China, and the amounts are recorded as a reduction of product revenue. Estimated rebates are determined based on contracted rates, sales volumes, and level of distributor inventories.

7. REVENUES (CONTINUED)

Product Revenue, Net (Continued)

The following table presents the Company's net revenue by commercial program ($ in thousands):

	Six Months Ended June 30,	
	2026	2025
ZEJULA	62,046	90,571
VYVGART/VYVGART Hytrulo	41,417	44,602
NUZYRA	33,359	29,410
OPTUNE	24,272	23,718
QINLOCK	18,575	17,045
XACDURO	16,529	5,739
AUGTYRO	4,005	3,025
KarXT	552	—
Other (i)	552	625
Product revenue — net	201,307	214,735

(i) Other includes product candidates sold in patient programs prior to commercialization.

Collaboration Revenue

Collaboration revenue was $4.6 million in the six months ended June 30, 2026 and $1.7 million in the six months ended June 30, 2025, and mainly related to a regional license and collaboration arrangement and promotional activities in mainland China.

8. INCOME TAX

Income tax expense was $0.4 million in the six months ended June 30, 2026 attributable to taxable income in certain Chinese entities. Income tax expense was nil in the six months ended June 30, 2025 as the Company's subsidiaries were in cumulative loss positions.

9. LOSS PER SHARE

The following table presents the computation of the basic and diluted net loss per share ($ in thousands, except share and per share data):

	Six Months Ended June 30,	
	2026	2025
Numerator:		
Net loss	(101,841)	(89,165)
Denominator:		
Weighted-average number of ordinary shares — basic and diluted	1,112,208,460	1,086,413,130
Net loss per share — basic and diluted	(0.09)	(0.08)

As a result of the Company's net loss in the six months ended June 30, 2026 and 2025, share options and non-vested restricted shares outstanding in the respective periods were excluded from the calculation of diluted loss per share as their inclusion would have been anti-dilutive.

	June 30,	
	2026	2025
Share options	75,656,090	92,521,370
Non-vested restricted shares	23,976,330	26,743,120

10. BORROWINGS

The Company has debt arrangements with the Bank of China, SPD Bank, CMB, BOCOM, Ningbo Bank, and CIB to support its working capital needs in mainland China. The following table presents the Company's short-term debt and weighted-average interest rate per annum ($ in thousands):

	June 30, 2026		December 31, 2025	
Bank of China Working Capital Loans	2.19%	62,400	2.36%	69,427
SPD Bank Working Capital Loans	2.43%	22,024	2.80%	28,454
China Merchants Bank Working Capital Loans	2.64%	58,730	2.65%	42,683
Bank of Communications Working Capital Loans	2.50%	44,047	2.75%	42,682
Ningbo Bank Discounted Bills	1.60%	6,856	1.60%	7,057
Industrial Bank Working Capital Loans	2.47%	44,047	2.60%	14,227
Total short-term debt	2.41%	238,104	2.55%	204,530

10. BORROWINGS (CONTINUED)

Bank of China Working Capital Loan Facility

The Company has an uncommitted facility letter with BOC HK pursuant to which BOC HK will provide standby letters of credit in favor of BOC Pudong Branch for loans of up to $100.0 million, which are or may become payable by the Company's wholly-owned subsidiary, Zai Lab Shanghai. BOC HK and BOC Pudong Branch are collectively referred to as Bank of China. In accordance with this agreement, the Company also maintained restricted deposits of $100.0 million, which are presented as restricted cash-current on the unaudited condensed consolidated balance sheet, to secure the standby letters of credit. Each working capital loan has a one-year term and is subject to a floating interest rate, which is subject to adjustment every six months.

SPD Bank Working Capital Loan Facility

In February 2024, the Company entered into a maximum-amount guarantee contract with SPD Bank pursuant to which the Company will guarantee working capital loans of up to RMB300.0 million (approximately $42.0 million) from SPD Bank to Zai Lab Shanghai over a three-year period. Each working capital loan has a one-year term and is subject to a fixed interest rate.

China Merchants Bank Working Capital Loan Facility

In August 2025, the Company issued a maximum-amount irrevocable letter of guarantee to CMB pursuant to which the Company will guarantee working capital loans of up to RMB500.0 million (approximately $69.6 million) from CMB to Zai Lab Shanghai, and Zai Lab Shanghai entered into a Credit Agreement with CMB with respect to the RMB500.0 million facility. The guarantee and credit facility include the outstanding working capital loans with CMB. The credit facility will be available for two years. Each working capital loan has a one-year term and is subject to a floating interest rate, which is subject to adjustment every three months.

Bank of Communications Working Capital Loan Facility

In January 2025, the Company entered into a guarantee contract with BOCOM pursuant to which the Company will guarantee working capital loans from BOCOM to Zai Lab Shanghai, and Zai Lab Shanghai entered into a working capital loan contract with BOCOM with respect to a revolving credit facility of up to RMB300.0 million (approximately $41.1 million). The credit facility expired in September 2025. In February 2026, the Company entered into a new revolving credit facility with BOCOM that will expire in February 2029, which replaced its previous RMB300.0 million (approximately $41.1 million) credit facility. The Company entered into a new guarantee contract with BOCOM pursuant to which the Company will provide a maximum-amount guarantee of RMB330.0 million (approximately $47.9 million) for working capital loans of up to RMB300.0 million (approximately $43.6 million) from BOCOM to Zai Lab Shanghai, and Zai Lab Shanghai entered into a working capital loan contract with BOCOM with respect to the RMB300.0 million facility. Each working capital loan has a one-year term and is subject to a floating interest rate, which is subject to adjustment every three months.

10. BORROWINGS (CONTINUED)

Ningbo Bank Working Capital Loan Facility

In February 2024, Zai Lab Suzhou entered into the Ningbo Bank Agreements with Ningbo Bank. The Ningbo Bank Agreements permit Zai Lab Suzhou to utilize, including through discounting or working capital loan agreements and subject to the terms and conditions in related master agreements, up to RMB230.3 million (approximately $32.4 million), of which Zai Lab Suzhou is authorized to utilize up to RMB160.0 million (approximately $22.5 million). The cash proceeds from the discounting arrangement were classified as short-term debt. Each discounted bill has a 6-month term.

Industrial Bank Working Capital Loans

On October 13, 2025, the Company entered into a maximum amount guarantee contract with CIB pursuant to which the Company will guarantee working capital loans of up to RMB300.0 million (approximately $42.1 million) from CIB to its wholly-owned subsidiary, Zai Lab Shanghai, and Zai Lab Shanghai entered into a credit line contract with CIB with respect to the RMB300.0 million revolving credit facility. The credit facility will be available until May 5, 2026. Each working capital loan has a one-year term and is subject to a fixed interest rate.

11. OTHER CURRENT LIABILITIES

The following table presents the Company's other current liabilities ($ in thousands):

	June 30, 2026	December 31, 2025
Accrued payroll	23,762	28,485
Accrued professional service fees	4,330	2,948
Payables for purchase of property and equipment	402	486
Accrued rebate to distributors	13,432	19,388
Tax payables	4,017	5,303
Other (i)	2,820	7,074
Total	48,763	63,684

(i) Other primarily includes accrued travel, business-related expenses, and advance payments from partners.

12. RELATED PARTY TRANSACTIONS

In January 2025, the Company entered into a license agreement with Zenas, pursuant to which the Company obtained a license under certain patents and know-how of Zenas to develop and commercialize products containing a differentiated humanized monoclonal antibody targeting IGF-1R as an active ingredient in Greater China. One of the members of the Company's Board of Directors, Mr. Moulder, is also the Chairman of the Board of Directors and Chief Executive Officer of Zenas. The Company recorded a $10.0 million upfront fee into research and development expenses in the first quarter of 2025. As of June 30, 2026, the Company may be required to pay an additional aggregate amount of up to $117.0 million in development and sales-based milestones as well as certain royalties at tiered percentage rates ranging from high-single digits to mid-teens on annual net sales of the licensed products in the licensed territories.

13. SHARE-BASED COMPENSATION

During the six months ended June 30, 2026, the Company granted share options to purchase up to 11,409,690 ordinary shares and restricted shares representing 11,691,310 ordinary shares under its equity incentive plans. The share options granted have a contractual term of ten years. Share options granted since April 2023 generally vest ratably over a four-year period, and share options granted prior to April 2023 generally vest ratably over a five-year period, with 25% or 20% of the awards vesting on each anniversary of the grant date, respectively, subject to continued employment/service with the Company on the vesting date. The restricted shares granted generally vest ratably over a specified period on the anniversary of the grant date, subject to continued employment/service with the Company on the vesting date. For a description of the Company's equity incentive plans and more details on the terms of the share-based awards, see *Note 15* in the 2025 Annual Report.

During the six months ended June 30, 2026, the Company also granted cash-settled performance-based restricted shares representing 1,169,170 ordinary shares under its equity incentive plans. These awards will vest on the third anniversary of the grant date and will be settled in cash based on value of the Company's ordinary shares on the vesting date. These awards are accounted for as liability awards and their fair value is measured at the end of each reporting period. The related liability of $0.2 million is recorded in other non-current liabilities in the unaudited condensed consolidated balance sheet as of June 30, 2026, and the related compensation expense of $0.2 million was recorded in stock-based compensation in the unaudited condensed consolidated statements of operations in the six months ended June 30, 2026.

The following table presents the share-based compensation expense that has been reported in the Company's unaudited condensed consolidated statements of operations and comprehensive loss as follows ($ in thousands):

	Six Months Ended June 30,	
	2026	2025
Selling, general and administrative	18,070	21,470
Research and development	7,620	11,303
Total	25,690	32,773

14. LICENSE AND COLLABORATION AGREEMENTS

The Company has entered into various license and collaboration agreements with third parties to develop and commercialize product candidates.

Significant License and Collaboration Arrangements

For a description of the material terms of the Company's significant license and collaboration agreements, see *Note 16* in the 2025 Annual Report. In the six months ended June 30, 2026, the Company did not enter into any new significant license or collaboration agreements. The following includes a description of milestone fees incurred in the six months ended June 30, 2026 under the Company's significant license and collaboration agreements.

License and Collaboration Agreement with MediLink Therapeutics (DLL3-Targeting ADC)

Under the terms of the Company's license and collaboration agreement with MediLink, the Company recorded an $8.0 million development milestone fee into research and development expenses in the first quarter of 2026. As of June 30, 2026, the Company may be required to pay an additional aggregate amount of up to $584.0 million in development, regulatory, and sales-based milestones as well as certain royalties at tiered percentage rates ranging from high single digits to low-teens on annual net sales of the licensed products in the licensed territory.

Collaboration and License Agreement with Pfizer (Tisotumab Vedotin)

Under the terms of the Company's license and collaboration agreement with Seagen (a company later acquired by Pfizer), the Company recorded a regulatory milestone fee of $10.0 million as an intangible asset in the second quarter of 2026. As of June 30, 2026, the Company may be required to pay an additional aggregate amount of up to $248.0 million in development, regulatory, and sales-based milestones as well as certain royalties at tiered percentage rates ranging from mid-teens to low-twenties on annual net sales of the licensed products in the licensed territory.

Other License and Collaboration Arrangements That Are Not Individually Significant

The Company recorded upfront and milestone fees of $29.0 million into research and development expenses in the six months ended June 30, 2026 for license and collaboration agreements that are not individually significant, including $25.0 million in license fees for a pre-clinical program that the Company subsequently decided to terminate.

15. RESTRICTED NET ASSETS

Chinese laws and regulations restrict the Company's ability to receive distributions of funds from its Chinese subsidiaries. For example, relevant Chinese laws and regulations permit payments of dividends by the Company's Chinese subsidiaries only out of its retained earnings, if any, as determined in accordance with Chinese accounting standards and regulations.

In accordance with the Company Law of the People's Republic of China, each Chinese subsidiary of the Company is required to provide statutory reserves of at least 10% of its annual after-tax profit until such reserve has reached 50% of its respective registered capital based on the enterprise's Chinese statutory accounts. The reserves can only be used for specific purposes and are not distributable as cash dividends. Foreign exchange and other regulations in mainland China may further restrict the Company's Chinese subsidiaries from transferring out funds in the form of dividends, loans, and advances.

No appropriation to statutory reserves was made in the six months ended June 30, 2026 and 2025 because the Chinese subsidiaries had substantial losses during such periods. The Company did not receive any distributions from its Chinese subsidiaries; such distributions were not permitted under Chinese laws and regulations due to the reserve requirements discussed above. As of both June 30, 2026 and December 31, 2025, amounts restricted included the paid-in capital of the Company's subsidiaries in mainland China and were $516.0 million.

16. COMMITMENTS AND CONTINGENCIES

(a) Purchase Commitments

As of June 30, 2026, the Company's commitments were $1.8 million and related to commercial manufacturing development activities and capital expenditures that are contracted but not yet reflected in the unaudited condensed consolidated financial statements. These commitments were expected to be incurred within one year from June 30, 2026.

(b) Legal Proceedings

The Company is not currently a party to any material legal proceedings.

(c) Indemnifications

In the normal course of business, the Company enters into agreements that indemnify others for certain liabilities that may arise in connection with a transaction or certain events and activities. To date, the Company has not paid any claims or been required to defend any action related to its indemnification obligations.

17. SEGMENT INFORMATION

The Company operates as a single operating segment that is engaged in discovering, developing, and commercializing products that address medical conditions with significant unmet needs in the areas of oncology, immunology, neuroscience, and infectious disease. A global research and development organization and a supply chain organization discover, develop, manufacture, and supply the Company's products. A global commercial organization markets, distributes, and sells the products. The business is also supported by global corporate staff functions. The Company's CODM is the Chief Executive Officer, who assesses performance and allocates resources based on significant expenses and net income on a consolidated basis. The significant expenses that are regularly provided to the CODM include those amounts that are also reported on the consolidated statement of operations as well as below additional disaggregated measures. The CODM also reviews cash position (which includes cash and cash equivalents, current restricted cash, and short-term investments that are reported on the consolidated balance sheets) when making operating decisions. In accordance with ASC 280, the Company has only one reportable segment.

The following tables present disaggregated expenses that are regularly provided to the CODM:

	Six Months Ended June 30,	
	2026	2025
Personnel compensation and related costs	41,183	46,527
Licensing fees	37,000	19,997
CROs/CMOs/Investigators expenses	37,800	29,765
Other costs	11,374	15,054
Total research and development expenses	127,357	111,343

	Six Months Ended June 30,	
	2026	2025
Clinical programs	45,881	45,059
Pre-Clinical programs	31,325	8,383
Unallocated research and development expenses	50,151	57,901
Total research and development expenses	127,357	111,343

	Six Months Ended June 30,	
	2026	2025
Personnel compensation and related costs	85,767	83,322
Other costs	52,175	51,138
Total selling, general, and administrative expenses	137,942	134,460

17. SEGMENT INFORMATION (CONTINUED)

	Six Months Ended June 30,	
	2026	2025
Selling and marketing expenses	94,994	88,703
General and administrative expenses	42,948	45,757
Total selling, general, and administrative expenses	137,942	134,460

18. ACCOUNTS RECEIVABLE

The following table presents the Company's accounts receivable ($ in thousands):

	June 30, 2026	December 31, 2025
Accounts receivable, gross	69,615	106,147
Allowance for credit losses	(20)	(31)
Accounts receivable, net	69,595	106,116

The Company's trading terms with its customers are mainly on credit, and the credit period generally ranges from 40 to 90 days. The Company seeks to maintain strict control over its outstanding receivables, and overdue balances are regularly reviewed. The Company does not hold any collateral or other credit enhancements over its accounts receivable balances. Accounts receivable are non-interest-bearing.

The following table presents an aging analysis of the accounts receivable, based on the invoice date ($ in thousands):

	June 30, 2026	December 31, 2025
Within 3 months	69,396	106,116
3 months to 6 months	188	—
6 months to 1 year	11	—
Total	69,595	106,116

19. ACCOUNTS PAYABLE

The following table presents an aging analysis of the accounts payable, based on the invoice date ($ in thousands):

	June 30, 2026	December 31, 2025
Within 3 months	136,184	141,096
3 months to 6 months	76	54
6 months to 1 year	124	136
Over 1 year	308	322
Total	136,692	141,608

The accounts payable are non-interest-bearing and repayable within the normal operating cycle.

20. RECONCILIATION BETWEEN U.S. GAAP AND INTERNATIONAL FINANCIAL REPORTING STANDARDS

The unaudited condensed consolidated financial statements of the Company are prepared in accordance with U.S. GAAP, which differ in certain respects from IFRS. The following tables present the Reconciliation Statement.

Reconciliation of Consolidated Statements of Operations ($ in thousands)

	Six Months Ended June 30, 2026		
Consolidated statements of operations	Amounts as reported under U.S. GAAP	IFRS adjustments Share-based compensation (note (i))	Amounts as reported under IFRS
Expenses			
Research and development	(127,357)	1,909	(125,448)
Selling, general and administrative	(137,942)	5,303	(132,639)
Net loss	(101,841)	7,212	(94,629)

20. RECONCILIATION BETWEEN U.S. GAAP AND INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

Reconciliation of Consolidated Statements of Operations ($ in thousands) (Continued)

	Six Months Ended June 30, 2025		
Consolidated statements of operations	Amounts as reported under U.S. GAAP	IFRS adjustments Share-based compensation (note (i))	Amounts as reported under IFRS
Expenses			
Research and development	(111,343)	4,727	(106,616)
Selling, general and administrative	(134,460)	711	(133,749)
Net loss	(89,165)	5,438	(83,727)

Reconciliation of Consolidated Balance Sheets ($ in thousands)

	As of June 30, 2026		
Consolidated balance sheets	Amounts as reported under U.S. GAAP	IFRS adjustments Share-based compensation (note (i))	Amounts as reported under IFRS
Additional paid-in capital	3,370,798	24,382	3,395,180
Accumulated deficit	(2,730,461)	(24,382)	(2,754,843)
Total shareholders' equity	607,037	—	607,037

	As of December 31, 2025		
Consolidated balance sheets	Amounts as reported under U.S. GAAP	IFRS adjustments Share-based compensation (note (i))	Amounts as reported under IFRS
Additional paid-in capital	3,343,469	31,593	3,375,062
Accumulated deficit	(2,628,620)	(31,593)	(2,660,213)
Total shareholders' equity	715,500	—	715,500

20. RECONCILIATION BETWEEN U.S. GAAP AND INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

Reconciliation of Consolidated Balance Sheets ($ in thousands) (Continued)

NOTES:

(i) Share-Based Compensation

Under U.S. GAAP, the Company has elected to use the straight-line method to recognize compensation expense for instruments granted to employees with graded vesting based on service conditions, subject to the minimum amount of cumulative compensation expense recognized being no less than the portion of the award vested to date.

Under IFRS, the graded vesting method must be applied to recognize compensation expense.

In addition, under U.S. GAAP, the Company has elected to recognize the effect of award forfeitures as they occur, and previously recognized compensation cost is reversed in the period that the award is forfeited.

Under IFRS, the number of instruments that are expected to vest is estimated by the Company initially at the time of grant. Subsequently, these estimates are adjusted for differences between the number of instruments expected to vest and the actual number of instruments vested.

A difference of $7.2 million and $5.4 million arose between the amount of share-based compensation (included in research and development expenses, and selling, general and administrative expenses) recognized under U.S. GAAP and IFRS in the six months ended June 30, 2026 and 2025, respectively.

The accumulated differences on share-based compensation recognized in accumulated deficit and additional paid in capital under U.S. GAAP and IFRS were $24.4 million and $31.6 million as of June 30, 2026 and December 31, 2025, respectively.

20. RECONCILIATION BETWEEN U.S. GAAP AND INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

Reconciliation of Consolidated Balance Sheets ($ in thousands) (Continued)

NOTES: (CONTINUED)

(ii) Leases

Under U.S. GAAP, as a lessee, the Company recognized a lease liability based on the present value of the total remaining lease payments and a corresponding right-of-use asset. The amortization of the right-of-use assets and the interest expenses related to the lease liabilities are recorded together as a single total lease expense on a straight-line basis on the condensed consolidated statements of operations.

Under IFRS, the amortization of the right-of-use assets is recognized on a straight-line basis while the interest expense related to the lease liabilities is recognized on the basis that the lease liabilities are measured at amortized cost. Compared to U.S. GAAP, this changes the allocation and the total amount of expenses recognized for each period of the lease terms and results in a higher total charge to profit or loss in the early years and a decreasing expense during the latter years of the lease terms. The amortization on the right-of-use assets and the interest expense on the lease liabilities are separately recorded on the condensed consolidated statements of operations.

Based on the Company's assessment, the differences on leases recognized on the condensed consolidated financial statements as of June 30, 2026 and December 31, 2025, respectively, and for the six months ended June 30, 2026 and 2025, respectively, under U.S. GAAP and IFRS were not material.

GLOSSARY

This Glossary includes acronyms and defined terms that are used throughout this report.

AACR:	American Association for Cancer Research
AChR:	Anti-acetylcholine receptor
ADC:	Antibody-drug conjugate
ADS(s):	American Depositary Share, each representing ten of the Company's ordinary shares
Affiliate(s):	With respect to any specified person or any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
argenx:	argenx BV
Audit Committee:	Audit Committee of the Board
AUGTYRO (Repotrectinib):	A next-generation TKI of ROS proto-oncogene 1 (ROS1) tyrosine-protein kinase and of the tropomyosin receptor tyrosine kinases (TRKs) TRKA, TRKB, and TRKC
BLA:	Biologics License Application
Board:	The board of directors of Zai Lab Limited
BOC HK:	Bank of China (Hong Kong) Limited
BOCOM:	Bank of Communications Co., Ltd. Shanghai Zhangjiang Sub-Branch
BOC Pudong Branch:	Bank of China Pudong Development Zone Branch
CIB:	Industrial Bank Co., Ltd., Shanghai Gubei Branch
CFIUS:	U.S. Committee on Foreign Investment
CG Code:	The Corporate Governance Code as set forth in Appendix C1 to the HK Listing Rules
Chief Executive:	Has the meaning ascribed to it in the HK Listing Rules
China (P.R. China, or the PRC):	The People's Republic of China
CMB:	China Merchant Bank Co., Ltd., Shanghai Branch
CMO:	Contract Manufacturing Organization
CODM:	Chief Operating Decision Maker
Commercial Committee:	Commercial Committee of the Board
Companies Ordinance:	The Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented, or otherwise modified from time to time
Company:	Zai Lab Limited and its subsidiaries, collectively

Compensation Committee:	Compensation Committee of the Board
CRO:	Contract Research Organization
DION:	Disclosure of Interest Online
Director(s):	the member(s) of the Board
DLL3:	An inhibitor of the Notch ligand that is overexpressed in SCLC and other neuroendocrine neoplasmas
DM:	Dermatomyositis
Efgartigimod:	A human IgG1 antibody fragment that binds to FcRn
EMA:	European Medicines Agency
ES-SCLC:	Extensive-stage small cell lung cancer
FASB:	Financial Accounting Standards Board
FDA:	U.S. Food and Drug Administration
GBM:	Glioblastoma multiforme, an aggressive form of brain tumor
Global Offering:	The global offering of the Company as described in the Prospectus
gMG:	Generalized myasthenia gravis
GMPs:	Good Manufacturing Practices
Greater China:	Mainland China, Hong Kong, Macau, and Taiwan, collectively
HK 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
HKMA:	Hong Kong Monetary Authority
Hong Kong:	Hong Kong Special Administrative Region of the PRC
Hong Kong Stock Exchange:	The Stock Exchange of Hong Kong Limited
IFRS:	International Financial Reporting Standards
IMNM:	Immune-mediated necrotizing myopathy
IPO:	Initial public offering
KarXT:	Xanomeline and trospium chloride, a combination of an oral M1/M4-preferring muscarinic acetylcholine receptor agonist and an antimuscarinic agent
KPMG:	KPMG, a public interest entity auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance

GLOSSARY

KPMG LLP:	KPMG LLP, an auditor located in the United States that is inspected by the PCAOB
Macau:	Macau Special Administrative Region of the PRC
MGII:	Myasthenia Impairment Index
Model Code:	The Model Code for Securities Transactions by Directors of Listed Issuers as set forth in Appendix C3 to the HK Listing Rules
Nasdaq:	Nasdaq Global Market
NEC:	Neuroendocrine carcinomas
Ningbo Bank:	Bank of Ningbo Co., Ltd. Suzhou Sub-branch
Ningbo Bank Agreements:	Maximum Credit Contract, Electronic Commercial Draft Discounting Master Agreement and Online Working Capital Loan Master Agreement, collectively
NMPA:	China's National Medical Products Administration
Nominating and Corporate Governance Committee:	Nominating and Corporate Governance Committee of the Board
NovoCure:	NovoCure Ltd.
NRDL:	China's National Reimbursement Drug List
NUZYRA (Omadacycline):	A novel tetracycline-class antibacterial with both oral and IV formulations that is a broad-spectrum antibiotic
ODD:	Orphan Drug Designation
OPTUNE:	Tumor Treating Fields (or TTFields) devices marketed under various brand names, including OPTUNE GIO® for GBM
Ordinary Share(s):	Ordinary share(s) in the authorized share capital of the Company with a par value of $0.000006 per share after the Share Subdivision (or $0.00006 per share before the Share Subdivision)
OS:	Overall survival
PARPi:	PARP (poly (ADP-ribose) polymerase) is a protein that helps repair DNA damage in cells; PARP inhibitors block PARP from repairing DNA damage, such as may be caused by radiation and/or certain chemotherapies, which may lead to cancer cell death and slow the return or progression of cancer
PCAOB:	U.S. Public Company Accounting Oversight Board
PDUFA:	U.S. Prescription Drug User Fee Act
Primary Conversion Effective Date:	The date on which the voluntary conversion of Zai Lab Limited from secondary listing to primary listing on the Hong Kong Stock Exchange became effective, i.e., June 27, 2022

PRO:	Patient Reported Outcome
Prospectus:	The prospectus of Zai Lab Limited dated September 17, 2020
PSU:	Performance-based restricted share unit
QINLOCK (Ripretinib):	An orally administered switch-control TKI that broadly inhibits KIT and PDGFRα tyrosine kinases, including wild-type and forms with multiple primary mutations or secondary mutations
R&D:	Research and development
Reconciliation Statement:	The effects of material differences on the Company's financial information prepared under U.S. GAAP and IFRS as at June 30, 2026 and December 31, 2025 and for the six-month periods ended June 30, 2026 and 2025
Reporting Period:	The six months ended June 30, 2026
Research and Development Committee:	Research and Development Committee of the Board
RMB:	Chinese Renminbi
RSA:	Restricted share award
RSU:	Restricted share unit
SAR:	Share appreciation right
SCLC:	Small cell lung cancer
SEC:	U.S. Securities and Exchange Commission
SFO:	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented, or otherwise modified from time to time
Share(s):	Ordinary share(s), or ADS(s) represented by such number of ordinary shares
Share Subdivision:	The subdivision of each of the Company’s issued and unissued ordinary shares into ten ordinary shares effective as of March 30, 2022
SPD Bank:	Shanghai Pudong Development Bank Co., Ltd. Zhangjiang Hi-Tech Park Sub-branch
Subsidiary(ies):	Has the meaning ascribed to it thereto in section 15 of the Companies Ordinance
Substantial Shareholder:	Has the meaning ascribed to it in the HK Listing Rules
TED:	Thyroid eye disease
TKI:	Tyrosine kinase inhibitor
TRAE	Treatment-related adverse events

GLOSSARY

Treasury Shares:	Has the same meaning ascribed to it under the HK Listing Rules
Trust for Life Strategy:	Our sustainability strategy, which includes three pillars: improve human health, create better outcomes, and act right now with ethical business practices and strong governance
UPCR:	urine protein to creatinine ratio
U.S.:	United States
U.S. GAAP:	United States generally accepted accounting principles
VYVGART:	The brand name for the IV formulation of efgartigimod
VYVGART Hytrulo:	The brand name for the SC formulation of efgartigimod
XACDURO (SUL-DUR):	A combination of a beta-lactam antibiotic (sulbactam) and beta-lactamase inhibitor
Zai Lab Limited:	Zai Lab Limited, a holding company
Zai Lab Shanghai:	Zai Lab (Shanghai) Co., Ltd., a wholly-owned subsidiary of Zai Lab Limited
Zai Lab Suzhou:	Zai Lab (Suzhou) Co., Ltd., a wholly-owned subsidiary of Zai Lab Limited
ZEJULA (Niraparib):	An orally administered PARP 1/2 inhibitor
Zenas:	Zenas BioPharma (HK) Limited
2015 Plan:	Zai Lab Limited 2015 Omnibus Equity Incentive Plan, as amended
2017 Plan:	Zai Lab Limited 2017 Equity Incentive Plan
2022 Plan:	Zai Lab Limited 2022 Equity Incentive Plan
2024 Plan:	Zai Lab Limited 2024 Equity Incentive Plan
2025 Annual Report:	2025 Annual Report for the year ended December 31, 2025 as filed with the Hong Kong Stock Exchange on April 28, 2026
$:	U.S. Dollar
A$:	Australian Dollar
HK$:	Hong Kong Dollar
TW$:	New Taiwan Dollar

zai Lab

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