JHBP (CY) Holdings Limited
嘉和生物藥業(開曼)控股有限公司

(Incorporated in the Cayman Islands with Limited Liability)

(Stock Code: 6998)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

The board (the "**Board**") of directors (the "**Directors**") of JHBP (CY) Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") is pleased to announce the audited consolidated results of the Group for the year ended 31 December 2020 (the "**Reporting Period**"), together with the comparative figures for the year ended 31 December 2019. The consolidated financial statements of the Group for the Reporting Period have been reviewed by the Audit Committee of the Company and audited by the Company's auditor.

In this announcement, "we", "us" and "our" refer to the Company and where the context otherwise requires, the Group.

FINANCIAL HIGHLIGHTS

- **Total revenue** was RMB10.3 million for the Reporting Period, primarily generated by providing research and manufacturing services to our customers under fee-for-service contract.
- **Research and development expenses** were RMB696.6 million for the Reporting Period, as compared with RMB438.8 million for the year ended 31 December 2019. The spending was mainly attributable to (i) the increase of our ongoing clinical trials expenses and (ii) our employee salary and related benefit costs.
- **Total comprehensive loss** was RMB3,032.8 million for the Reporting Period, as compared with RMB523.0 million for the year ended 31 December 2019 primarily because under the Hong Kong Financial Reporting Standards("**HKFRS**"), the Group recorded a non-recurring loss of 1,933.8 million on net fair value losses on preferred shares upon their conversion to ordinary shares at the Company's initial public offering ("**IPO**").
- Under **Non-HKFRS measures**, our adjusted loss(1) was RMB654.6 million for the Reporting Period.

(1) Adjusted net loss is calculated as loss for the Reporting Period excluding (i) fair value losses on preferred shares, (ii) share-based payment expenses, (iii) net foreign currency exchange losses and (iv) listing expenses. For details of the reconciliation of the loss for the year to the adjusted loss of the Group, please refer to the section headed "Financial Review" in this announcement.

BUSINESS HIGHLIGHTS

The Company is a commercial-ready biopharmaceutical company focusing on developing and commercializing oncology and autoimmune drugs. The Company was successfully listed and commenced trading on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 7 October 2020 (the "**Listing Date**"). In 2020, the Company has made remarkable progress in the development of our drug candidates in pipeline and business operations.

Pipeline update

GB226 (Novel Anti-PD-1 mAb)

- In July 2020, the National Medical Products Administration ("**NMPA**")accepted our new drug application ("**NDA**") submission for GB226 as a monotherapy for relapsed/refractory (r/r) peripheral T-cell Lymphoma (PTCL) and granted priority review status (優先審評). The key clinical results from the phase 2 study of GB226 in treating r/r PTCL were also published at American Association for Cancer Research ("**AACR**") Annual Meeting in 2020.

- The clinical trial data inspection (臨床試驗數據核查) for the NDA from the Center for Food and Drug Inspection of NMPA ("**CFDI**") were conducted from September to October in 2020.

- The On-Site Production Inspection & Good Manufacturing Practice ("**GMP**") Compliance Inspection (生產現場核查&GMP符合性檢查) for the NDA were completed at our manufacturing facility in Yuxi, Yunnan province in November 2020, and our manufacturing facility in Yuxi has successfully passed the inspection.

GB242 (Infliximab Biosimilar)

- In November 2020, the NMPA accepted our submission of a NDA for GB242. The application is currently under review by the NMPA. The NDA is based on the Phase 3 clinical trial in China evaluating the safety and efficacy of GB242 compared to Remicade in combination with methotrexate in adult patients with rheumatoid arthritis (RA). We are also applying for other approved indications of Remicade, including ankylosing spondylitis (AS), psoriasis (PsO), crohn's disease (CD), Pediatric Crohn's Disease (pCD) and ulcerative colitis (UC)

GB221 (Novel Anti-HER2 mAb)

- Our phase 3 clinical trial evaluating GB221 in treating 2L HER2+ breast cancer patients was completed and met primary endpoint in 2020.

GB491 (Differentiated oral CDK4/6 inhibitor)

- In December 2020, investigational new drug ("**IND**") applications for GB491 for the treatment of 1L and 2L HR+/HER2- breast cancer have been submitted to the NMPA in China.

GB223 (Anti-RANKL mAb)

- In August 2020, Phase 1 clinical trial of GB223 has completed the last patient enrollment.

Business Development

- In June 2020, we in-licensed GB491, a differentiated novel CDK4/6 inhibitor for the treatment of HR+/HER2- breast cancer from G1 Therapeutics, further expanding our breast cancer franchise.

- In June 2020, we in-licensed GB492, a potentially best-in-class STING agonist, from ImmuneSensor Therapeutics. We plan to develop the drug candidate in combination with GB226 as a first-in-class therapy in treating multiple solid tumors with significant unmet medical needs in China.

Commercialization & Manufacturing

- In preparation for the new drug launch, we are steadily building up our commercialization team. Currently, over 20 key commercial people are on-board.

- Our commercial team has participated in the 2020 annual conference of China Cancer Prevention and Treatment League and promoted the Company and GB226 r/r PTCL studies among medical society.

- Our commercial team has been working closely with key stakeholders for health economics (HE) study for GB226 in preparation for the product launch and participations of National Reimbursement Drug List ("**NRDL**") negotiation.

OUR MISSION

Our mission is to become a biopharmaceutical engine in discovery, research, development, manufacturing and commercialization of innovative therapeutics initially for patients in China and gradually for patients globally.

OVERVIEW

Founded in 2007, the Group has been strategically focused on major therapeutic areas with substantial unmet medical needs in oncology, autoimmune and other chronic diseases. In recent years, with research centers built in both Shanghai, China and San Francisco, United States, the Group has also been expanding research and development footprint globally to build and enrich its novel drug pipeline.

The business of the Group is backed by its integrated biopharmaceutical platform covering all the key drug development functionalities, including discovery, research, clinical development, chemistry, manufacturing and controls ("**CMC**"), regulatory affairs and business development. Its integrated platform enables the Group to manage the risks of drug development by identifying and addressing potential CMC and clinical barriers early in the development process, which allows the Group to direct its efforts towards molecules with the best potential to become clinically beneficial and commercially viable drugs. Further, the Group has commercialization-ready manufacturing capabilities with quality excellence and enhanced cost efficiencies, boasting concentrated fed-batch and perfusion technologies that allow the Group to generate higher titer and yield than the conventional technologies, reaching the high-end of the industry range.

The core management team members of the Group have more than 15 years of industry experience on average with a proven track record and a well-balanced combination of expertise spanning research and discovery, clinical development, manufacturing, regulatory affairs, commercialization and financing. The shareholders of the Group consist of global and Chinese biotechnology-focused specialist funds and biopharma platforms experienced in supporting and growing biopharmaceutical companies, and the Group benefit from their resources and industry expertise.

On 7 October 2020, the Company was successfully listed on the Stock Exchange, marking a new milestone for the Group.

THE GROUP'S DRUG CANDIDATES

The Group has built up a well-balanced pipeline targeted drug candidates with significant commercialization potentials ongoing in Asia, with two NDAs under review by the NMPA, two registrational clinical trials to be launched in the next 12 months, and five IND applications and clinical trial notifications to be filed with the NMPA, the U.S. Food & Drug Administration ("**FDA**") and Australia Therapeutic Goods Administration, Department of Health ("**TGA**") in the next 12 months.

In particular, the Group has developed six key drug candidates in clinical stage for various oncology, autoimmune and other chronic disease indications. The key drug candidates include lerociclib (GB491), a differentiated oral CDK4/6 inhibitor; geptanolimab (GB226), a novel anti-PD-1 mAb drug candidate; GB242, an infliximab (Remicade) biosimilar; coprelotamab (GB221), a novel anti-HER2 mAb drug candidate; GB492, a STING agonist expected to exert synergistic effects in combination with GB226; and GB223, a highly promising anti-RANKL mAb drug candidate

The Group also has a strong lineup of cutting-edge bi-specific/tri-specific antibody drug candidates currently in the pre-clinical stage, fueled by our differentiated immune-oncology discovery platform with a strong phage display library, Computer-Aided Antibody Design (CAAD) capabilities, and optimized Knobs-into-Holes design (www.antibodytherapeutics.com). Leading drug candidates from the platform include CD20xCD3 (GB261), PD-L1×CD55 (GB262), EGFR×c-Met×c-Met (GB263T), and Claudin 18.2×CD3 (GB264).

PRODUCT PIPELINE

The following chart shows our robust pipeline of drug candidates that are currently under development in China and worldwide across various therapeutic areas:

Product	Target/MoA (reference drug)	Indication	Classification	Commercial Rights	Pre–Clinical / IND / Phase 1 / Phase 2 / Phase 3 / NDA Filing
GB491	CDK4/6+AI/SERD (combo w/ letrozole / fulvestrant)	1L HR+/HER2- BC	Novel (In-license)	APAC ex-JP(1)	
	CDK4/6+SERD (combo w/ fulvestrant)	2L HR+/HER2- BC			By G1 Therapeutics
	CDK4/6+EGFR (combo w/ osimertinib)	EGFR-Mutant NSCLC			By G1 Therapeutics
GB242	TNF-α (infliximab)	RA, AS, PsO, CD, UC	Biosimilar (In-house)	Worldwide	NDA under review
GB226	PD-1	r/r PTCL	Novel (In-license)	China	NDA under priority review
		2L+ Cervical Cancer			Pivotal
		ASPS			
		r/r PMBCL			
	PD-1+VEGFR (combo w/ fruquintinib)	2L/3L+ EGFR+ NSCLC			
		2L+ mCRC			
GB492	PD-1 (combo w/ GB226*^)+STING	Solid Tumours	Novel (In-license)	APAC ex-JP(2)	By ImmuneSensor Therapeutics
GB221	HER2	HER2+ 2L+ mBC	Novel (In-house)	Worldwide	***
GB223	RANKL	GCTB, PMO	Novel (Co-develop)	Worldwide	
GB241	CD20 (rituximab)	1L DLBCL	Biosimilar (In-house)	Co-development	
GB224	IL-6	Inflammatory Disease	Novel (In-license)	China	
GB251	HER2 ADC	HER2+ 1L/2L+ mBC	Novel (Co-develop)	Worldwide	
GB261	CD20×CD3	NHL	Novel (In-house)	Worldwide	
GB262	PD-L1×CD55	Cancers	Novel (In-house)	Worldwide	
GB263T	EGFR×c-Met×c-Met	NSCLC	Novel (In-house)	Worldwide	
GB264	Claudin 18.2×CD3	GI Cancers	Novel (In-house)	Worldwide	

Notes:
**** Denotes GB221 2L NDA expected to be filed in 2021; (1) Clinical trials are sponsored by G1 Therapeutics. (2) Clinical trial is sponsored by ImmuneSensor Therapeutics*

*** Denotes GB221 2L NDA expected to be filed in 2021;

(1) Clinical trials are sponsored by G1 Therapeutics.

(2) Clinical trial is sponsored by ImmuneSensor Therapeutics.

BUSINESS REVIEW

1. Events during the Reporting Period

Clinical Development Milestones and Achievements

Clinical stage drug candidates

GB491

- GB491 (lerociclib), is a novel, potent, selective oral bioavailable CDK4/6 inhibitor co-developed by the Company and G1 Therapeutics, a US based company, for use in combination with endocrine therapy/targeted therapies in breast cancer. Based on the data published at European Society for Medical Oncology 2020 conference, GB491, comparing to the currently approved CDK4/6 inhibitor in China, palbociclib, has demonstrated a better safety profile and could be a potentially best-in-class CDK4/6 drug candidate.

- In December 2020, multiple IND applications for GB491 have been submitted to the NMPA in China including indications for 1L/2L hormone receptor positive/human epidermal growth factor receptor 2 negative (HR+/HER2-) locally advanced or metastatic breast cancer.

GB226

- GB226 is an investigational, humanized, IgG4 mAb targeting the programmed cell death-1 receptor (PD-1) on immune cells. It selectively blocks dual ligands (PD-L1 and PD-L2), and restores the ability of the immune system to recognize and kill tumor cells.

- We are developing GB226 as a monotherapy for treating PTCL, cervical cancer, PMBCL and ASPS in China, with a pivotal Phase 2 clinical trial ongoing for cervical cancer. We are also exploring GB226 in combination with a small molecule VEGFR inhibitor (Fruquintinib), and another combination with our potentially best-in-class STING agonist (GB492).

- In May and June 2020 respectively, we have completed two clinical study reports for GB226, based on a phase 1 clinical study (Gxplore-001) and a phase 2 clinical study in 2L PTCL (Gxplore-002).

- In June 2020, we submitted the NDA for PTCL to the NMPA. The NDA submission was officially accepted by NMPA and then granted "priority review status" by CDE in July 2020. GB226 is the first PD-1 mAb with an NDA accepted by NMPA for the indication of PTCL.

- In September and October 2020 respectively, we received clinical trial data inspection (臨床試驗數據核查) at two sites from CFDI (Center for Food and Drug Inspection, NMPA) regarding our NDA for GB226.

- The On-Site Production Inspection & GMP Compliance Inspection (生產現場核查 & GMP 符合性檢查) for the NDA were completed at our manufacturing facility in Yuxi, Yunnan province in November 2020, and our manufacturing facility in Yuxi has successfully passed the inspection.

- During 2020, the Company has published key clinical results from three clinical studies of GB226:

    - In April 2020, clinical data of Gxplore-002 and Gxplore-005 were presented either orally or by posters/abstracts at the 111th AACR Annual Meeting. Gxplore-002 is a Phase 2 registrational clinical trial designed to evaluate the safety and efficacy of Geptanolimab (GB226) monotherapy in relapsed/refractory peripheral T-cell Lymphoma (PTCL). Gxplore-005 is a Phase 2 registrational clinical trial designed to evaluate the safety and efficacy of Geptanolimab (GB226) monotherapy in relapsed/refractory ASPS patients.

    - In September 2020, a poster of Gxplore-008 was presented at the Chinese Society of Clinical Oncology. Gxplore-008 is a phase 2 clinical study evaluating GB226 in recurrent or metastatic cervical cancer patients with PD-L1 positive status, who failed in platinum-based chemotherapy.

    - In October 2020, an article about clinical trial results of Gxplore-005 was published in the journal Clinical Cancer Research, an Official Journal of the AACR.

    - In December 2020, an article about clinical trial results of Gxplore-002 was accepted by the Journal of Hematology & Oncology.

GB242

- GB242 is a biosimilar product candidate to infliximab, and is able to bind to TNF-α at low doses and thus suppresses the body's nature response to TNF-α and ameliorates inflammatory responses and autoimmune disease.

- In October 2020, we completed two clinical study reports for GB242, based on a phase 3 study in rheumatoid arthritis (RA) and a phase 1 study in healthy volunteers.

- In November 2020, the NMPA accepted our submission of an NDA for GB242. The NDA is based on the Phase 3 clinical trial in China to evaluate the safety and efficacy of GB242 compared to Remicade in combination with methotrexate in adult patients with rheumatoid arthritis (RA) patients. The application is currently under review by the NMPA. We are also applying for other approved indications of Remicade, including ankylosing spondylitis (AS), psoriasis (PsO), crohn's disease (CD), Pediatric Crohn's Disease (pCD) and ulcerative colitis (UC)

GB221

- Coprelotamab (GB221) is a mAb for HER2+ mBC in China. We have completed the Phase 3 clinical trial in 2L HER2+ metastatic and advanced breast cancer in China in 2020 and the primary endpoint has met, with an NDA expected to be filed in 2021. GB221 has demonstrated a comparable safety and toxicity profile and efficacy to those of trastuzumab in pre-clinical studies and clinical trials.

GB223

- GB223 is a novel humanized mAb against receptor activator of nuclear factor kappa-B ligand (RANKL) that we are developing for the treatment of giant-cell tumor of bone and postmenopausal osteoporosis. In August 2020, we completed patient enrollment of the Phase 1 clinical trial of GB223.

Pre-clinical stage drug candidates

The Company is dedicated to be an end-to-end innovative antibody drug platform from target identification to commercial success. We have a strong antibody technology platform for the discovery and development of bispecific antibodies. With the advanced antibody platform, we have generated multiple novel bispecific antibodies.

GB261

GB261 is a novel bispecific antibody for CD20xCD3. Its properties significantly differentiate from other CD20xCD3 bispecific antibodies. GB261 is the first T-cell engager with very low affinity to bind CD3 and enables Fc functions (ADCC and CDC). Although its binding affinity to CD20 is as high as rituximab, GB261 significantly inhibits rituximab-resistant cancer cell proliferation by in vitro assays and in vivo models. Importantly, GB261 induces low levels of cytokine production by hPBMC and in monkeys, indicating low occurrences of CRS. Thus, GB261 is a highly promising bispecific therapeutic antibody for B cell malignancies. It may ultimately provide a concept shift to better and safer T-cell engager antibody drugs for various cancers.

Moreover, benefiting from years of experience in biologics development, we have rapidly expanded our CMC capabilities from monoclonal antibody technologies to a bispecific and multi-specific antibody platform, ranging from cell line development, bioprocess development, and analytical development. After the lead selection of GB261 at the end 2019, the IND-enabling CMC work and preclinical work were started early 2020. We have also established high yield manufacturing process producing high quality preclinical and clinical materials, and we expected to apply for clinical trial applications to the Chinese, US and Australia Regulatory Agencies. We expect to start clinical trials in 2Q21.

GB262 (PD-L1xCD55 BsAb)

GB262 is a first-in-class bispecific antibody targeting PD-L1 and CD55. CD55 inhibits complement activation, and is highly upregulated in a variety of cancer cells. The specific design of low binding affinity to CD55 aims to improve therapeutic window.

For CMC, we have accomplished lead selection in September 2020 and obtained stable cell line with high expression rate. IND enabling preclinical work is scheduled with the manufacturing process, drug product formulation, and product quality profile being developed and locked down for Tox supply and IND enabling batches.

GB263T (EGFRxc-Metxc-Met TsAb) and GB264 (Claudin 18.2xCD3 BsAb)

To treat NSCLC with better efficacy, we have also created a tri-specific antibody targeting EGFR and two different cMET epitopes. Preclinical studies have showed that this antibody exhibits enhanced internalization ability of the receptors, and better efficacy than that of bispecific antibody analogue to EFGRxcMet. GB264 is another T-cell engager bispecific antibody targeting CD3 and claudin 18.2, potentially used for gastric and pancreatic cancers.

For CMC, we have accomplished lead selection in December 2020. Stable cell line, manufacturing process, drug product formulation and the analytical package are being developed.

Currently we are building innovative early phase drug discovery program. Together with our existing strong antibody development platform, leading CMC ability and antibody manufacture factory, we aim to discover, develop and deliver innovative medicines that will address unmet medical needs across a variety of cancers.

Business Development Progress

- In June 2020, we entered into an exclusive license agreement with G1 Therapeutics with respect to the development, manufacture and commercialization of Lerociclib (GB491) in Asia ex-Japan. We have filed IND submission for Phase 1b study of 1L and 2L HR+/HER2- breast cancer in December 2020.

- In June 2020, we entered into an exclusive license agreement with ImmuneSensor Therapeutics with respect to the development, manufacture and commercialization of IMSA101 (GB492) in Asia ex-Japan. We plan to develop in combination with GB226 as a first-in-class therapy for solid tumors in China and to submit an IND for phase 1/2a study in patients with advanced treatment-refractory malignancies in the first quarter of 2021.

Commercialization and Manufacturing

Our strong Shanghai-based CMC capabilities resulted from approximately one decade of relentless development efforts and have supported our and our collaborators' IND applications with the NMPA and/or planned IND applications with the FDA for more than 20 antibodies. In addition, we have commercialization-ready manufacturing capabilities based in Yuxi, Yunnan with excellent quality and enhanced cost efficiencies, boasting concentrated fed-batch and perfusion technologies which allow us to generate higher titer and yield than the conventional technologies, driving the highend of the industry range. We benefit from our cost-effective and high-yield CMC capabilities.

- The On-Site Production Inspection & GMP Compliance Inspection (註冊生產現場核查和GMP符合性檢查) for GB226 NDA was completed at our manufacturing facility in Yuxi, Yunnan province in November 2020. Furthermore, our manufacturing facility in Yuxi has successfully passed the inspection.

- In preparation for the new drug launch, the Company is steadily building up our commercialization and sales team. We were excited to have Mr. Chen Wende ("**Mr. Chen**") joining us as Chief Operation Officer in July 2020. With over 20 years of experience in biopharmaceutical industry, Mr. Chen will lead commercialization preparations for launches of late-stage drug candidates. Currently, there are over 20 key commercial people on-board.

- In December 2020, our commercial team has participated in the annual conference of China Cancer Prevention and Treatment League and promoted the Company and GB226 r/r PTCL studies among medical society.

- Our commercial team has been working closely with key stakeholders for health-economics (HE) study for GB226 in preparation for the product launch and participation of NRDL negotiation.

2. Events after the Reporting Period

The Company has continued to make strong efforts on advancing the development of drugs candidates in the pipeline and speeding up the commercialization process after the Reporting Period, listed below:

GB491

- The Company has received IND approvals from the NMPA for two Phase 1b bridging studies: (1) GB491 and Letrozole in first line HR+/HER2- advanced breast cancer; and (2) GB491 and Fulvestrant in second line HR+/HER2- advanced breast cancer in March 2021.

- The Ethic Committee approvals were also obtained for the two trials as of March, 2021.

Bi-specific/tri-specific antibodies

- We have submitted four abstracts regarding our bi-specific/tri-specific antibody drug candidates, GB261 (CD20xCD3), GB262 (PD-L1xCD55), GB263T (EGFRxc-Metxc-Met), and GB264 (Claudin 18.2xCD3), for 2021 AACR in February 2021, and all of them have been accepted presentations in the e-poster section.

- We have submitted GB492 IND application (phase I/IIa) to NMPA in March 2021.

- We have submitted first-in-human clinical trial application of GB261 in Australia in March 2021.

Manufacturing

- In February 2021, the Company signed an investment agreement with China (Shanghai) Pilot Free Trade Zone Lin-Gang Special Area Administration to build a commercial manufacturing facility with over 43,000 sqm in Shanghai Ling Gang Special Area.

Cautionary Statement required by Rule 18A.08(3) of the Listing Rules: The Company cannot guarantee that it will be able to develop, or ultimately market, any of the above drug candidates successfully. Shareholders and potential investors of the Company are advised to exercise due care when dealing in the shares of the Company.

BUSINESS OUTLOOK

The Group strives to build up a world-class China-based innovative biopharmaceutical company through its integrated biopharmaceutical platform. To achieve this mission, the Group will continue to expand our innovative pipeline to address unmet medical needs in China and globally and at the same time to maximize existing portfolio by developing and executing comprehensive strategy. We will also continue to expedite regulatory approval and commercialization of the Group's lead product candidates and rapidly advance the Group's novel bispecific/tri-specific pipeline candidates into clinical stages.

In particular, we expect to launch geptanolimab (GB226) in the next 6 to 18 months, and infliximab biosimilar (GB242) in the next 12 to 18 months, upon approval of NDAs that are currently under review. We will continue to explore approval for geptanolimab (GB226) in other indications as well as novel combination therapy potential, including combination therapy with our STING agonist (GB492), to benefit more patients in China with unmet medical need.

Regarding key drug candidates in our portfolio treating breast cancer, we plan to file NDA for coprelotamab (GB221) in HER2+ breast cancer in the next 6 to 12 months, and start two phase 3 clinical trials for lerociclib (GB491) in 1L and 2L HR+/HER2- breast cancer in the next 6 to 12 months. We remain committed to addressing the large market of breast cancer in China with safe, effective, and well tolerated novel therapies with a comprehensive breast cancer franchise.

Most importantly, we will continue to focus on developing our early-stage innovative pipeline from our two research hubs in Shanghai and San Francisco. We currently have multiple bi-specific and tri-specific antibody drug candidates, the highlights among which include candidates targeting CD20xCD3, PD-L1×CD55, EGFR×c-Met×c-Met, and Claudin 18.2×CD3, none of which currently have approved drugs worldwide. We plan to file IND applications with the NMPA, the FDA and the TGA and advance these antibody drug candidates into the clinical stage in the next 6 to 18 months, and further explore global development opportunities. We plan to submit our first-in-human clinical trial application of GB261 (CD20xCD3 bi-specific antibody) in Australia in March 2021.

We have been setting up our commercial team and developing commercial strategy to support GB226 launch in 2021 and other new product launches in the future successfully.

We are also delighted to have Dr. HAN Shuhua ("**Dr. Han**") joining us as the Chief Scienist Officer of the Group in January 2021. Dr. Han, with over 25 years' experience in drug discovery and academic research in the fields of immunology, cancer immunotherapy, oncology, autoimmune diseases and inflammation, will lead our in-house research and discovery efforts and accelerate our footprint towards building a world-class innovation engine.

FINANCIAL REVIEW

The Reporting Period Compared to Year Ended 31 December 2019

	Notes	Year ended 31 December 2020	2019
		RMB'000	*RMB'000*
Revenue	2	**10,331**	13,039
Cost of revenue	3	**(2,596)**	(9,562)
Gross profit		**7,735**	3,477
Administrative expenses	4	**(241,440)**	(89,367)
Research and development expenses	5	**(696,574)**	(438,817)
Other (expenses)/income – net	6	**(4,429)**	4,082
Other (losses)/gains – net	7	**(1,968,314)**	53
Operating loss		**(2,903,022)**	(520,572)
Finance income	8	**3,715**	624
Finance costs	8	**(137,003)**	(3,689)
Loss before income tax		**(3,036,310)**	(523,637)
Income tax credit		**5,806**	891
Loss for the Reporting Period	9	**(3,030,504)**	(522,746)

1. Overview

For the Reporting Period, the Group recorded revenue of RMB10.3 million, as compared with RMB13.0 million for the year ended 31 December 2019, and loss of RMB3,030.5 million for the Reporting Period, as compared with RMB522.7 million for the year ended 31 December 2019.

Research and development expenses of the Group were RMB696.6 million for the Reporting Period, as compared with RMB438.8 million for the year ended 31 December 2019. Administrative expenses were RMB241.4 million for the Reporting Period, as compared with RMB89.4 million for the year ended 31 December 2019.

2. Revenue

We primarily generated revenue by providing research and manufacturing services to our customers under fee-for-service contract. Our revenue in 2020 and 2019 were RMB10.3 million and RMB13.0 million, separately.

3. Cost of Revenue

Our cost of revenue decreased by 72.9% from RMB9.6 million in 2019 to RMB2.6 million in 2020, primarily due to the decrease of our revenue.

4. Administrative Expenses

Our administrative expenses increased by 170.2% from RMB89.4 million in 2019 to RMB241.4 million in 2020, primarily due to (i) the increases of listing expenses and (ii) our employee salary and related benefit costs, including share-base payment expenses, for managerial personnel.

5. Research and Development Expenses

Our research and development expenses increased by 58.7% from RMB438.8 million in 2019 to RMB696.6 million in 2020, primarily due to (i) the increases of our ongoing clinical trials expenses and (ii) our employee salary and related benefit costs, including share-base payment expenses, for research and development personnel.

The following table summarizes the components of our research and development expenses for the years ended 31 December 2020 and 2019:

	Year ended 31 December	
	2020	2019
	RMB'000	*RMB'000*
Testing fee and clinical trial expenses	**268,444**	186,041
Employee benefits expense	**273,321**	128,414
Raw material and consumables used	**72,603**	61,042
Depreciation and amortization	**47,185**	37,667
Utilities	**11,350**	10,333
Traveling and transportation expenses	**4,647**	6,355
Consulting fee	**7,162**	1,361
Others	**11,862**	7,604
Total	**696,574**	438,817

6. Other (Expenses)/Income – Net

Other (Expenses)/income – net primarily consists of government grants and net fair value losses on contingent consideration payable to Ab Studio Inc. ("**ABS**"). Government grants amounted to RMB5.9 million and RMB8.3 million in 2020 and 2019, separately. Net fair value losses on contingent consideration payable to ABS amounted to RMB10.3 million and RMB4.3 million in 2020 and 2019, separately.

7. Other Losses/(Gains) – Net

Our other losses/(gains) – net changed from net gains of RMB53.0 thousand in 2019 to net losses of RMB1,968.3 million in 2020. This is mainly due to RMB1,933.8 million of the net fair value losses on preferred shares in 2020.

8. Finance Income and Costs

Finance income increased from RMB0.6 million in 2019 to RMB3.7 million in 2020, primarily due to the increase of bank deposit interest income.

Finance costs increased from RMB3.7 million in 2019 to RMB137.0 million in 2020, primarily because of the foreign exchange losses.

9. Loss for the Reporting Period

As a result of the foregoing, our losses increased to RMB3,030.5 million in 2020 from RMB522.7 million in 2019.

10. Liquidity and Source of Funding and Borrowing

Our management monitors and maintains a level of cash and cash equivalents deemed adequate to finance our operations and mitigate the effects of fluctuations in cash flow. We rely on equity financing as the major source of liquidity. Historically, we had borrowed loans from related parties.

As at 31 December 2020, our cash and cash equivalents increased to RMB2,929.7 million from RMB253.5 million as at 31 December 2019. The increase was mainly due to our successful IPO on the Stock Exchange.

11. Non-HKFRS Measures

To supplement the Group's consolidated financial statements which are prepared in accordance with the HKFRS, the Company also uses adjusted loss as an additional financial measure, which is not required by, or presented in accordance with, HKFRS. The Company believes that this non-HKFRS financial measures is useful for understanding and assessing underlying business performance and operating trends. The Company also believes that the Company's management and investors may benefit from referring to this non-HKFRS financial measure in assessing the Group's financial performance by eliminating the impact of certain items that the Group does not consider indicative of the performance of the Group's business. However, the presentation of this non-HKFRS financial measure is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with HKFRS. The use of this non-IFRS measure has limitations as an analytical tool, and investors should not view the non-HKFRS financial results on a stand-alone basis or as a substitute for results under HKFRS, or as being comparable to results reported or forecasted by other companies.

The following table reconciles our Adjusted Loss for the periods presented to the most directly comparable financial measures calculated and presented in accordance with HKFRS.

	Year ended 31 December	
	2020	2019
	RMB'000	*RMB'000*
HKFRS Loss for the year	**(3,030,504)**	(522,746)
Add:		
Net fair value losses on preferred shares	**1,933,816**	–
Share-base payment expenses	**257,624**	108,099
Net foreign currency exchange losses	**131,344**	1,535
Listing expenses	**53,157**	–
Adjusted Loss for the year	**(654,563)**	(413,112)

12. Key Financial Ratios

The following table sets forth the key financial ratios for the dates indicated:

	As at 31 December 2020	As at 31 December 2019
Current ratio[1]	**12.47**	0.97
Quick ratio[2]	**12.34**	0.90
Gearing ratio[3]	**0.09**	0.69

1 Current ratio is calculated using current assets divided by current liabilities as of the same date.

2 Quick ratio is calculated using current assets less inventories and divided by current liabilities as of the same date.

3 Gearing ratio is calculated using total liabilities divided by total assets.

13. Significant Investments

The Group did not make or hold any significant investments (including any investment in an investee company with a value of 5 per cent or more of the Company's total assets as at 31 December 2020) during the Reporting Period.

14. Material Acquisitions and Disposals

The Group did not have any material acquisitions or disposals of subsidiaries, consolidated affiliated entities or associated companies during the Reporting Period.

15. Pledge of Assets

As at 31 December 2020, none of the Group's assets were pledged.

16. Contingent Liabilities

As at 31 December 2020, the Group did not have any material contingent liabilities.

17. Foreign Exchange Exposure

During the Reporting Period, we operated in the People's Republic of China (the "**PRC**") with most of the transactions settled in Renminbi. Our presentation and functional currency is Renminbi. We were not exposed to significant foreign exchange risk as there were no significant financial assets or liabilities of us denominated in the currencies other than Renminbi, except for the cash at bank in U.S. Dollar ("**USD**") and Hong Kong dollar ("**HKD**") which were primarily received from the investors as capital contributions.

As at 31 December 2020, if RMB weakened or strengthened by 10% against USD, with all other variables held constant, loss for the year of the Group would have been approximately RMB46,651,000 lower or higher (2019: RMB6,330,000 lower or higher).

As at 31 December 2020, if RMB weakened or strengthened by 10% against HKD, with all other variables held constant, loss for the year of the Group would have been approximately RMB225,311,000 lower or higher (2019: nil).

We did not use any derivative contracts to hedge against our exposure to currency risk during the Reporting Period. However, our management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

18. Employees and Remuneration

As at 31 December 2020, the Group had a total of 508 employees including 335 employees in Shanghai, 166 employees in Yuxi, Yunnan and 7 employees in San Francisco, United States. The following table sets forth the total number of employees by function as of 31 December 2020:

	Number of employees	% of total
Function		
Research and Development	326	64.2%
Clinical Development	114	22.4%
General and Administrative	68	13.4%
Total	**508**	**100%**

The total remuneration cost incurred by the Group for the Reporting Period was RMB423.9 million, as compared to RMB200.6 million for the year ended 31 December 2019.

Our employees' remuneration comprises salaries, bonuses, social security contributions and other welfare payments. In accordance with applicable Chinese laws, we have made contributions to social security insurance funds (including pension plans, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance) and housing funds for our employees. As of 31 December 2020, we had complied with all statutory social security insurance fund and housing fund obligations applicable to us under Chinese laws in all material aspects.

The Company also has adopted a Pre-IPO share option plan (the "**Pre-IPO Share Option Plan"**) and a Post-IPO share option plan (the "**Post-IPO Share Option Plan**"). Please refer to the section headed "Statutory and General Information – D. Share Option Schemes" in Appendix IV to the prospectus of the Company dated 23 September 2020 (the "**Prospectus**") for further details of the Pre-IPO Share Option Plan and the Post-IPO Share Option Plan.

FINAL DIVIDEND

The Board does not recommend the distribution of a final dividend for the Reporting Period.

ANNUAL GENERAL MEETING

The annual general meeting of the Company is scheduled to be held on Friday, 11 June 2021 (the "**AGM**"). A notice convening the AGM will be published and dispatched to the shareholders of the Company as soon as practicable in accordance with the Company's articles of association and the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") in due course.

CLOSURE OF THE REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 8 June 2021 to Friday, 11 June 2021, both days inclusive, in order to determine the identity of the Shareholders who are entitled to attend and vote at the AGM, during which period no share transfers will be registered. To be eligible to attend and vote at the AGM, unregistered holders of shares must lodge all properly completed transfer forms accompanied by the relevant share certificates with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 7 June 2021.

CORPORATE GOVERNANCE AND OTHER INFORMATION

The Company was incorporated under the laws of the Cayman Islands on 10 April 2017 as an exempted company with limited liability, and the shares of the Company were listed on the Stock Exchange on the Listing Date.

1. Compliance with the Corporate Governance Code

The Board is committed to achieving high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders and to enhance corporate value and accountability.

Throughout the period from the Listing Date up to 31 December 2020, the Company has complied with all applicable code provisions set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix 14 to the Listing Rules except as disclosed below.

Code provision A.1.1 of the CG Code provides that board meetings should be held at least four times a year at approximately quarterly intervals. As the Company was only listed on 7 October 2020, the Company did not hold any Board meeting throughout the period from the Listing Date and up to 31 December 2020.

Further information concerning the corporate governance practices of the Company will be set out in the corporate governance report in the annual report of the Company for the Reporting Period.

The Company will continue to regularly review and monitor its corporate governance practices to ensure compliance with the CG Code, and to maintain a high standard of corporate governance practices of the Company.

2. Compliance with the Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "**Model Code**") to regulate all dealings by Directors and relevant employees in securities of the Company and other matters covered by the Model Code.

Specific enquiry has been made to all the Directors and they have confirmed that they have complied with the required standards as set out in the Model Code throughout the period from the Listing Date up to 31 December 2020. No incident of non-compliance of the Model Code by the relevant employees was noted by the Company throughout the period from the Listing Date up to 31 December 2020.

3. Scope of Work of PricewaterhouseCoopers

The figures in respect of the Group's consolidated balance sheet, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the Reporting Period as set out in this announcement have been agreed by the Group's external auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the Reporting Period. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on this announcement.

4. Review of Consolidated Annual Results by the Audit Committee

The Company has established an audit committee with written terms of reference in accordance with the Listing Rules. The audit committee comprises of three members, namely Mr. FUNG Edwin, Dr. LI Ming and Mr. ZHOU Honghao. Mr. FUNG Edwin, our independent non-executive Director with appropriate professional qualifications, is the chairman of the audit committee.

The audit committee has reviewed the audited consolidated financial statements of the Group for the Reporting Period and has met with the independent auditor, PricewaterhouseCoopers. The audit committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control, risk management and financial reporting matters with senior management members of the Company. The audit committee is satisfied that the audited consolidated financial statements of the Group for the Reporting Period were prepared in accordance with the applicable accounting standards and fairly present the Group's financial position and results for the Reporting Period.

5. Other Board Committees

In addition to the audit committee, the Company has also established a nomination committee and a compensation committee.

6. Purchase, Sale or Redemption of the Company's Listed Securities

Other than the global offering, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's shares during the period from the Listing Date up to 31 December 2020.

7. Use of Proceeds from Global Offering

The Company's shares were listed on the Stock Exchange on 7 October 2020 with a total of 129,683,500 offer shares (including shares issued as a result of the full exercise of the over-allotment option) issued and the net proceeds raised during the global offering were approximately HK$2,923 million. There was no change in the intended use of net proceeds as previously disclosed in the Prospectus and the Company will gradually utilise the residual amount of the net proceeds in accordance with such intended purposes depending on actual business needs.

As at 31 December 2020, approximately RMB179.3 million of the net proceeds of the global offering had been utilized as follows:

	Allocation of net proceeds from the global offering in the proportion disclosed in the Prospectus[Note 1] *RMB million*	**Utilization as at 31 December 2020** *RMB million*	**Unutilized as at 31 December 2020** *RMB million*
Fund research and development activities of our Core Products, including ongoing and planned clinical trials, indication expansion and preparation for registration filings, and commercialization,	938.6	109.1	829.5
Fund research and development activities of our other key products, including ongoing and planned clinical trials, indication expansion and preparation for registration filings	514.0	20.4	493.6
Fund ongoing and planned clinical trials, indication expansion and preparation for registration filings of the other drug candidates in our pipeline	335.1	8.7	326.4
Fund the expansion of our drug pipeline	223.5	19.6	203.9
General corporate purposes	223.5	21.5	202.0
	2,234.7	179.3	2,055.4

Note 1:

The net proceeds figure has been translated to Renminbi for the allocation and the utilization calculation, and has been adjusted slightly due to the fluctuation of the foreign exchange rates since the Listing.

The table below specifies the further breakdown for net proceeds to be allocated to different stages of each of our Core Products[4], other key products and other pipeline products and their utilization:

	Net Proceeds to be Allocated to Each Stage[Note 2]				
	Pre-clinical *RMB million*	**Clinical** *RMB million*	**Commercialization (including registration)** *RMB million*	**Utilization as at 31 December 2020** *RMB million*	**Unutilized as at 31 December 2020** *RMB million*
Core Products					
GB226	–	335.2	223.5	**54.3**	**504.4**
GB221	–	111.7	111.7	**39.5**	**183.9**
GB242	–	44.7	111.7	**15.3**	**141.1**
Other Key Products					
GB491	–	335.2	–	**19.4**	**315.8**
GB223	–	178.8	–	**1.0**	**177.8**
Other Pipeline Products (including GB241, GB222, GB224, GB235, GB251, GB232, GB261, GB262, GB263 and GB264)	111.7	233.5	–	**31.6**	**303.6**
				161.1	**1,626.6**

Note 2:

The net proceeds figure has been translated to Renminbi for the allocation and the utilization calculation, and has been adjusted slightly due to the fluctuation of the foreign exchange rates since the Listing.

4 "Core Products" has the meaning ascribed to it under Chapter 18A of the Listing Rules.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Year ended 31 December 2020 *RMB'000*	2019 *RMB'000*
Revenue	3	**10,331**	13,039
Cost of revenue		**(2,596)**	(9,562)
Gross profit		**7,735**	3,477
Administrative expenses		**(241,440)**	(89,367)
Research and development expenses		**(696,574)**	(438,817)
Other (expenses)/ income – net		**(4,429)**	4,082
Other (losses)/gains– net		**(1,968,314)**	53
Operating loss		**(2,903,022)**	(520,572)
Finance income		**3,715**	624
Finance costs		**(137,003)**	(3,689)
Loss before income tax		**(3,036,310)**	(523,637)
Income tax credit	4	**5,806**	891
Loss for the year		**(3,030,504)**	(522,746)
Loss for the year is attributable to:			
Owners of the Company		**(3,027,102)**	(522,082)
Non-controlling interests		**(3,402)**	(664)
Other comprehensive loss			
Items that may be reclassified to profit or loss			
– Exchange differences on translation of foreign operations		**(2,271)**	(217)
Total comprehensive loss for the year		**(3,032,775)**	(522,963)
Total comprehensive loss for the year is attributable to:			
Owners of the Company		**(3,029,373)**	(522,299)
Non-controlling interests		**(3,402)**	(664)
Loss per share attributable to the ordinary equity holders of the Company			
Basic and diluted loss per share (in RMB)	5	**(12.36)**	(1.89)

CONSOLIDATED BALANCE SHEET

	As at 31 December	
	2020	2019
	RMB'000	*RMB'000*
ASSETS		
Non-current assets		
Property, plant and equipment	**200,288**	191,429
Right-of-use assets	**28,875**	33,267
Intangible assets	**156,936**	94,317
Other receivables, deposits and prepayments	**80,300**	64,902
Deferred income tax assets	**5,643**	680
Total non-current assets	**472,042**	384,595
Current assets		
Inventories	**31,465**	25,269
Contract cost	**1,755**	3,927
Other receivables, deposits and prepayments	**108,690**	44,582
Amounts due from related parties	**27,754**	20,942
Restricted bank deposits	**2,000**	–
Cash and cash equivalents	**2,929,743**	253,520
Total current assets	**3,101,407**	348,240
Total assets	**3,573,449**	732,835

CONSOLIDATED BALANCE SHEET (CONTINUED)

	Notes	As at 31 December 2020 *RMB'000*	2019 *RMB'000*
EQUITY			
Equity attributable to the ordinary equity holders of the Company			
Share capital		**67**	39
Share premium		**9,187,780**	1,921,731
Treasury shares		**(6,813)**	–
Other Reserves		**(1,426,445)**	(209,350)
Accumulated losses		**(4,520,536)**	(1,493,434)
		3,234,053	218,986
Non-controlling interests		**3,072**	6,474
Total equity		**3,237,125**	225,460
LIABILITIES			
Non-current liabilities			
Contract liabilities		**755**	755
Lease liabilities		**16,014**	29,351
Amounts due to related parties		**34,797**	31,916
Deferred income		**21,903**	22,892
Deferred income tax liabilities		**14,125**	14,968
Other non-current liabilities		**–**	47,369
Total non-current liabilities		**87,594**	147,251
Current liabilities			
Trade payables	6	**91,732**	103,363
Contract liabilities		**4,893**	11,844
Other payables and accruals		**116,346**	212,801
Lease liabilities		**15,045**	12,412
Amounts due to related parties		**17,022**	16,202
Deferred income		**3,692**	3,502
Total current liabilities		**248,730**	360,124
Total liabilities		**336,324**	507,375
Total equity and liabilities		**3,573,449**	732,835

NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

1 GENERAL INFORMATION

1.1 General information

JHBP (CY) Holdings Limited (the "Company") with its subsidiaries (together the "Group"), have principally engaged on developing and commercializing oncology and autoimmune drugs in the People's Republic of China (the "PRC").

The Company was incorporated in the Cayman Islands on 10 April 2017 as an exempted company with limited liability under the Companies Law (Cap.22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The company has its primary listing on The Stock Exchange of Hong Kong Limited.

These financial statements are presented in Renminbi ("RMB"), unless otherwise stated.

After the outbreak of Coronavirus Disease 2019 ("COVID-19 outbreak") in early 2020, a series of precautionary and control measures have been and continued to be implemented across the country. As at the reporting date, the Group was not aware of any material adverse effects on the financial statements as a result of the COVID-19 outbreak.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Group consisting of JHBP (CY) Holdings Limited and its subsidiaries.

2.1 Basis of preparation

(a) Compliance with HKFRS and HKCO

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") and requirements of the Hong Kong Companies Ordinance Cap. 622.

(b) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value.

(c) New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2020:

- Definition of Material – amendments to HKAS 1 and HKAS 8
- Definition of a Business – amendments to HKFRS 3
- Interest Rate Benchmark Reform – amendments to HKFRS 9, HKAS 39 and HKFRS 7
- Revised Conceptual Framework for Financial Reporting

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(d) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2020 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

3 REVENUE

	Year ended 31 December	
	2020	2019
	RMB'000	*RMB'000*
Revenue from contracts with customers		
Revenue on fee-for-service contracts at a point in time	10,331	13,039

All revenues are generated in the PRC.

4 INCOME TAX CREDIT

(a) Income tax credit

	Year ended 31 December	
	2020	2019
	RMB'000	*RMB'000*
Current tax		
Current tax on profits for the year	**–**	–
Total current tax expense	**–**	–
Deferred income tax		
Increase in deferred tax assets	**(4,963)**	(680)
Decrease in deferred tax liabilities	**(843)**	(211)
Total deferred tax benefit	**(5,806)**	(891)
Income tax credit	**(5,806)**	(891)

(b) Numerical reconciliation of loss before income tax to income tax credit

	Year ended 31 December	
	2020	2019
	RMB'000	*RMB'000*
Loss before income tax	**(3,036,310)**	(523,637)
Calculated at the PRC taxation rate of 25%	**(759,078)**	(130,909)
Effect of different tax rates of operating entities in other jurisdictions	**548,244**	47,420
Income not subject to tax	**–**	(770)
Expenses not deductible for taxation purposes	**66,755**	11,911
Super deduction of research and development expenses	**(94,047)**	(40,644)
Unused tax loss not recognised as deferred tax assets	**232,320**	112,101
Income tax credit	**(5,806)**	(891)

(i) Cayman Islands income tax

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of Cayman Islands and accordingly, is exempted from Cayman Islands income tax.

(ii) Hong Kong Profits Tax

Hong Kong profits tax rate is 16.5% for the year ended 31 December 2020 (2019: 16.5%). No Hong Kong profit tax was provided for as there was no estimated assessable profit that was subject to Hong Kong profits tax for the years ended 31 December 2020 and 2019.

(iii) USA Corporate Income Tax

Ab Therapeutics, Inc. ("ABT") was established in California, USA. The corporate income tax rate of ABT is subject to both federal income tax rate and California income tax rate, which is 29.84% in total for the year ended 31 December 2020 (2019: 29.84%). No USA profit tax was provided for as there was no estimated assessable profit that was subject to USA profits tax for the years ended 31 December 2020 and 2019.

(iv) PRC Corporate Income Tax

On 23 November 2017, a "Certificate of New Hi-tech Enterprise" was granted to Genor Biopharma Co., Ltd. ("Genor Biopharma"), and then Genor Biopharma becomes eligible for a preferential corporate income tax rate of 15% up to the year ended 31 December 2019. As of 31 December 2020, Genor Biopharma was in progress of applying for renewal of "Certificate of New Hi-tech Enterprise" and the 2020 income tax rate was changed from 15% to 25%.

Other subsidiaries established and operated in Mainland China are subject to the PRC corporate income tax at the rate of 25% for the year ended 31 December 2020 (2019: 25%).

5 LOSS PER SHARE

(a) Basic loss per share

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Year ended 31 December	
	2020	2019
Total loss attributable to owners of the Company (in RMB'000)	**(3,027,102)**	(522,082)
Weighted average number of ordinary shares in issue (in thousand) *(i)*	**244,890**	276,482
Basic and diluted loss per share (in RMB)	**(12.36)**	(1.89)

(i) In the calculation of weighted average number of ordinary shares outstanding for the years ended 31 December 2020 and 2019, the share consolidation occurred on 3 September 2020 had been adjusted retrospectively as if those shares have been issued since 1 January 2019.

(b) Diluted loss per share

The Group has potential dilutive shares throughout for the year ended 31 December 2020 related to the shares held for employee option plan and shares to be issued to an employee and Ab Studio Inc. ("ABS"). Due to the Group's losses for the year ended 31 December 2020, shares held for employee option plan and shares to be issued to an employee and ABS have anti-dilutive effect on the Group's loss per share. Thus, the diluted loss per share is the same as basic loss per share.

6 TRADE PAYABLES

An aging analysis, based on invoice date, of trade payables as at the consolidated statements of financial position dates were as follows:

	Year ended 31 December	
	2020	2019
	RMB'000	*RMB'000*
Within 1 year	**90,497**	103,110
1-2 years	**1,235**	253
	91,732	103,363

The carrying amounts of trade payables are denominated in RMB. The carrying amounts approximate their fair values due to short-term maturities.

7 DIVIDEND

No dividend has been paid or declared by the Company during the year ended 31 December 2020.

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.genorbio.com. The annual report of the Company for the Reporting Period will be published on the aforesaid websites and dispatched to the Company's shareholders in due course.

By order of the Board
JHBP (CY) Holdings Limited
Mr. Yi Qingqing
Chairman

Hong Kong, 23 March 2021

As at the date of this announcement, the Board of the Company comprises Dr. ZHOU Joe Xin Hua and Dr. GUO Feng (Chief Executive Officer) as executive Directors; Mr. YI Qingqing (Chairman), Mr. CHEN Yu and Dr. LI Ming as non-executive Directors; Mr. ZHOU Honghao, Mr. FUNG Edwin and Mr. CHEN Wen as the independent non-executive Directors