SUMMARY

This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. You should read the entire document before you decide to **[REDACTED]** *in the* **[REDACTED]**.

There are risks associated with any **[REDACTED]**. *Some of the particular risks in* **[REDACTED]** *in the* **[REDACTED]** *are set out in "Risk Factors."* ***In particular, we are a biotechnology company seeking a*** **[REDACTED]** ***on the Main Board of the Stock Exchange under Chapter 18A of the Listing Rules on the basis that we are unable to meet the requirements under Rule 8.05 (1), (2) or (3) of the Listing Rules.*** *You should read that section carefully before you decide to* **[REDACTED]** *in the* **[REDACTED]**.

OVERVIEW

Founded in June 2015 in the PRC, we are a clinical-stage biotechnology company dedicated to the development of immuno-oncology therapies. We have developed our Core Product, IMM01, an innovative clinical-stage CD47-targeted molecule. Including IMM01, our pipeline consists of 14 drug candidates featured by a comprehensive innate-immunity-based asset portfolio targeting CD47 and other novel immune checkpoints, with eight ongoing clinical programs.

WE MAY NOT ULTIMATELY BE ABLE TO DEVELOP OR MARKET OUR CORE PRODUCT SUCCESSFULLY.

The following chart summarizes the development status of our selected drug candidates as of the Latest Practicable Date:

	Program[1]	Target (Modality)	Indication(s) (line of treatment)[2]	Discovery	Preclinical	IND/IND-Enabling	Phase Ia/I	Phase Ib/II	Phase III/ Pivotal	Current Status / Upcoming Milestone[3]	Commercial Rights
Innate Immunity	**IMM01**[4]	CD47 (SIRPα-Fc fusion protein)	MDS (unfit 1L), AML (1L), CMML (1L)[5]			China (NMPA)				Phase Ib/II commenced in January 2022; expect to complete Phase II and initiate pivotal trial in Q1 2024	Global
	IMM01 + Tislelizumab	CD47+PD-1	cHL (≥3L)[6], Solid tumors (2L&3L)			China (NMPA)				Phase Ib/II commenced in May 2022; expect to complete Phase II in Q3 2024 and initiate pivotal trial in Q4 2024[7]	Global
	IMM01 + Inetetamab	CD47+HER2	HER2-positive solid tumors (2L&3L)			China (NMPA)[8]				Phase Ib/II IND approved	Global
	IMM01 + Bortezomib + Dexamethasonum	CD47	MM (≥4L)			China (NMPA)				Phase Ib/II IND approved	Global
	IMM0306 Monotherapy	CD47xCD20 (Bispecific molecule)	Indolent B-NHL (≥3L)			China (NMPA), US (FDA)				Phase IIa commenced in March 2023 in China; IND approved in the U.S.	Global
	IMM0306 + Lenalidomide	CD47xCD20 (Bispecific molecule)	B-NHL (2L)			China (NMPA)				Phase Ib/IIa commenced in June 2023	
	IMM2902	CD47xHER2 (Bispecific molecule)	HER2-positive and low-expressing solid tumors (2L&3L)			China (NMPA), US (FDA)				Phase Ia commenced in February 2022 in China and in June 2022 in the U.S.; expect to largely complete Phase Ia trials in China and the U.S. in 2023	Global
	IMM2520	CD47xPD-L1 (Bispecific molecule)	Solid tumors (≥2L)			China (NMPA), US (FDA)				IND approved in China and the U.S. in Q4 2022; Phase I commenced in China in March 2023	Global
	IMM47	CD24 (mAb)	Solid tumors (≥2L)			China (NMPA), US (FDA)				IND-enabling; expect to enter into clinical trials in August 2023	Global
	IMM4701	CD47xCD24 (Bispecific molecule)	Solid tumors							CMC	Global
	IMM2547[9]	CD24xPD-L1 (Bispecific molecule)	Solid tumors							Discovery	Global
	IMM51[9]	IL-8 (mAb)	Solid tumors							Preclinical	Global
	IMM38[9]	NKG2A (mAb)	Solid tumors							Preclinical	Global
	IMM50[9]	PSGL-1 (mAb)	Solid tumors							Discovery	Global
	IMM62[9]	Undisclosed	Solid tumors							Discovery	Global
Adaptive Immunity	**IMM2510**	VEGFxPD-L1 (Bispecific molecule)	Solid tumors (2L&3L)			China (NMPA)				Phase I commenced in August 2021 and 8th cohort ongoing in China; expect to complete Phase I in Q3 2023	Global
	IMM27M	CTLA-4 ADCC+ (mAb)	Solid tumors (≥2L)			China (NMPA)				Phase I commenced in June 2022 in China; expect to complete in Q3 2023; IND approved in China for Phase Ib/II trial for its combination with a PD-1 antibody[10]	Global
	IMM40H	CD70 (mAb)	Liquid/Solid tumors (≥2L)			China (NMPA), US (FDA)				IND approved in China and the U.S. in August 2022	Global

★ Core Product ▲ Key Product — Innate Immunity Targets; Innate and Adaptive Immunity Targets; Adaptive Immunity Targets

Notes:

(1) All of our clinical- and IND-stage drug candidates are classified as Category 1 innovative drugs, and preclinical- and discovery-stage drug candidates are expected to be classified as Category 1 innovative drugs, in accordance with relevant laws and regulation in China.

(2) Due to certain products being in the preclinical or discovery stages, their line of treatment has not been decided yet. The Company will determine the line of treatment based on the progress of the drug development.

(3) Expected completion date for Phase Ia/I trial refers to the time when RP2D can be determined, and expected completion date for Phase Ib/II trial refers to the time when top-line data is available for regulatory discussions. Follow-up period required would not delay the initiation of the next phase clinical trials, and is thus not considered.

(4) We completed the Phase I dose-escalation study of IMM01 monotherapy in R/R lymphoma in January 2022. In accordance with the relevant laws and guidance of the NMPA, the safety and other clinical data from the Phase I monotherapy trial, combined with preclinical study results, form the basis for us to obtain the IND approvals of our multiple IMM01-based combination therapy programs. The favorable safety profile of IMM01 observed in this Phase I trial enabled us to progress directly to the Phase Ib/II trials for our various combination programs. In June 2022, we have completed a Phase Ib trial to evaluate IMM01 in combination with azacitidine for the treatment of R/R MDS and R/R AML, and initiated a Phase II trial mainly for the first-line treatment of higher-risk MDS, unfit AML and CMML. We have also completed a Phase Ib clinical trial for IMM01 in combination with tislelizumab, and initiated a Phase II trial in December 2022. Based on ongoing evaluation of emerging data across our different clinical programs as well as anticipated synergistic effects of IMM01 and tislelizumab for treating cHL, we strategically plan to prioritize our resources on the clinical development of IMM01-based combination therapies and CD47-based bispecific molecules, which are expected to demonstrate stronger clinical activity and a higher likelihood of obtaining marketing approval. Consequently, we terminated the Phase II clinical trial for IMM01 monotherapy in October 2022 after discussion with principal investigators. Benefited patients in IMM01 monotherapy trials will continue to receive treatment until their diseases progress.

(5) The cohort-expansion trials of this combination are mainly designed to target the first-line treatment of higher-risk MDS (patients who fall into higher-risk group categories in the original or revised International Prognostic Scoring System), unfit AML (individuals of older age with AML who are considered not eligible for intensive treatment approaches), and CMML. Particularly, we plan to seek an accelerated marketing approval through relatively small sample size studies targeting the first-line treatment of CMML, a rare type of disease with highly unmet medical needs.

(6) This combination of IMM01 and tislelizumab targets all subtypes of cHL.

(7) In July 2022, we obtained the NMPA's consent for adding R/R cHL as an additional expansion cohort into the ongoing combination trial of IMM01 and tislelizumab. We dosed the first patient with R/R cHL in China in January 2023.

*(8) The clinical trial is led and funded by Sunshine Guojian Pharmaceutical (Shanghai) Co., Ltd. ("**Sunshine Guojian**"). As denoted by the dotted line, Sunshine Guojian and us have obtained an IND approval for a Phase Ib/II trial of this combination therapy from the NMPA in August 2021, and therefore the parties can skip the Phase Ia stage and directly initiate a Phase Ib/II trial.*

(9) We will continue to conduct preclinical studies for IMM2547, IMM51, IMM38, IMM50 and IMM62, including cell line development, in vivo studies and further evaluation.

(10) We are currently conducting the Phase I trial for IMM27M monotherapy, and have obtained the IND approval for a Phase Ib/II trial for its combination with a PD-1 antibody.

* *Currently we have several other drug candidates in preclinical stage and plan to further develop these candidates through collaboration, such as IMM2518, a second-generation VEGF×PD-L1 bispecific molecule and IMM5601, a CD47×CD38 bispecific molecule.*

Abbreviations: MDS refers to myelodysplastic syndrome; AML refers to acute myeloid leukemia; CMML refers to chronic myelomonocytic leukemia; MM refers to multiple myeloma; B-NHL refers to B-cell non-Hodgkin lymphoma; cHL refers to classical Hodgkin lymphoma; IND refers to investigational new drug; CMC refers to chemistry, manufacturing, and controls; ADCC refers to antibody-dependent cellular cytotoxicity.

Source: Company Data

Our Key Products, namely IMM0306 (CD47×CD20), IMM2902 (CD47×HER2) and IMM2520 (CD47×PD-L1), are three CD47-based bispecific molecules. Both of IMM0306 and IMM2902 are the first bispecific molecules with their respective targets globally to enter clinical trials. IMM2520 is also a highly differentiated molecule with the potential to treat a broad spectrum of cancers and has demonstrated promising efficacy targeting solid tumors in preclinical studies. In addition, our pipeline also includes ten other drug candidates that address key innate and adaptive immune targets at various development stages, including CD24 antibody, CD24-targeted bispecific molecules, and three clinical and IND stage adaptive immunity-based drug assets. Our pipeline reflects our grasp of the frontiers of cancer biology and immunology, and our expertise in turning scientific research into drug candidates. Our founder, Dr. Wenzhi Tian, began to explore the therapeutic potential of CD47 blockade in 2010, long before this innate immune checkpoint became widely recognized and clinically validated in the biopharmaceutical industry. Based on our understanding of the biology underlying CD47-SIRPα interaction and its potential synergy with other tumor targets and/or immune checkpoints, we have built a differentiated CD47-based portfolio with favorable safety and efficacy profiles since our inception in 2015. In addition to CD47, we have selected and validated another innate immune checkpoint, CD24, in recent years. Around CD24, we are developing one IND-enabling-stage and several discovery- and preclinical-stage drug candidates, each with the potential to become the first few of its class to enter into clinical stage around the world. Moreover, we are also developing drug candidates that target other promising innate and adaptive immune checkpoints, including IL-8, NKG2A and PSGL-1, to maximize the clinical and commercial value of our platform.

OUR KEY PRODUCTS REMAIN IN EARLY-STAGES OF CLINICAL DEVELOPMENT, AND IN PARTICULAR, WE MAY OR MAY NOT DEVELOP OR MARKET THEM SUCCESSFULLY.

Our continuous innovation is driven by an experienced and stable R&D team led by Dr. Tian. Core members of our R&D team have been working with Dr. Tian for over 10 years and possess multi-disciplinary expertise in drug discovery, design and development. Emulating the "Quality-by-Design (QbD)" concept that is intended to improve drug product quality by using analytical and risk-management methodologies, we created the "Drug-by-Design (DbD)" concept that emphasizes the fundamental role of molecule design rationale in the process of large molecule drug development. This concept requires that the structure of every drug molecule be deliberately designed with a sound scientific rationale predicated on target-specific biological functions and validated in preclinical studies. Under the guidance of our "DbD" concept and the leadership of Dr. Tian, we have built a fully-integrated R&D platform. It features our proprietary technologies and know-how (including our mAb-Trap bispecific antibody platform technology) and encompasses all key functionalities throughout the drug development process. For 2021, 2022 and the four months ended April 30, 2023, our R&D expenses (including share-based payments) were RMB176.0 million, RMB277.3 million and RMB75.0 million, respectively. The R&D expenses attributable to our Core Product (including share-based payments) were RMB43.4 million, RMB116.8 million and RMB22.9 million in the same periods, respectively.

Our Business Model

Our core business model is to in-house discover, develop and commercialize novel immuno-oncology therapies to address highly unmet medical needs. To complement our internal efforts, we may also collaborate with third parties on the clinical development and commercialization of our drug candidates to better capture tremendous market opportunities through out-licensing, co-commercialization or other strategic collaborations. We are collaborating with Sunshine Guojian to conduct clinical trials evaluating a combination therapy using CIPTERBIN® (inetetamab, a HER2 mAb) and IMM01 for HER2-positive solid tumors in mainland China, and Sunshine Guojian will drive and fund relevant clinical trials. For details, please refer to the paragraphs headed "Business — Collaboration Agreements" in this document.

Our Core Product and Key Products

Our Core Product — IMM01 (SIRPα-Fc fusion protein)

IMM01, our Core Product, is an innovative CD47-targeted molecule. It is the first SIRPα-Fc fusion protein to enter into clinical stage in China. IMM01 is being developed for the treatment of various blood cancers and solid tumors in combination with other agents. We (i) have completed the Phase I dose-escalation study of IMM01 in relapsed or refractory (R/R, a condition of a disease that is not being effectively managed or improved with previous treatments) lymphoma patients, (ii) have completed a Phase Ib trial to evaluate IMM01 in combination with azacitidine for the treatment of certain R/R blood cancers, and initiated a Phase II trial mainly for the first-line treatment of higher-risk (HR) MDS, unfit AML and chronic myelomonocytic leukemia (CMML, a rare type of blood cancer) in June 2022, and (iii) have completed a Phase Ib clinical trial and initiated a Phase II trial in December 2022 to evaluate IMM01 in combination with tislelizumab for the treatment of solid tumors, including among others, non-small cell lung cancer (NSCLC), small cell lung cancer (SCLC), and head and neck squamous cell carcinoma (HNSCC), which are all advanced solid tumors that failed to respond to or relapsed from the standard of care such as PD-1/PD-L1 inhibitors, as well as R/R classical Hodgkin lymphoma (cHL). We have also obtained an IND approval for the Phase Ib/IIa clinical trial to evaluate the combination of IMM01 with bortezomib and dexamethasonum for the treatment of MM from the NMPA in January 2023. With preliminary efficacy and favorable safety in monotherapy clinical trials and preclinical data of its combination studies, IMM01 is expected to achieve strong synergistic effects used in combination with other cancer agents.

IMM01 can fully activate macrophages via a dual mechanism — simultaneously blocking the "don't eat me" signal and delivering the "eat me" signal and delivering the "eat me" signal. Furthermore, the CD47-binding domain of IMM01 was specifically engineered to avoid human red blood cell (RBC) binding. With the differentiated molecule design, IMM01 has achieved a favorable safety profile and demonstrated its ability to activate macrophages. Among numerous drug developers of CD47-targeted molecules globally, we are one of the only two companies[1] to have observed complete response (CR) in monotherapy clinical trials with a well tolerated safety profile, according to Frost & Sullivan. For the details on the mechanism of action, please refer to the paragraphs headed "Business — Our Innate Immune Checkpoint-Targeted Drug Candidates — IMM01 — Mechanism of Action." IMM01 was discovered, designed and developed by key R&D personnel of our Company, Dr. Wenzhi Tian and Dr. Deqiang Jing, when they worked at their respective former employers. For details, please refer to "Business — Intellectual Property." We acquired full ownership and related interests in IMM01 after our establishment in 2015, and since then we have continued the preclinical research and are conducting clinical trials to develop IMM01 with our internal team and resources during the Track Record Period and up to the Latest Practicable Date. We are the sole owner of the intellectual property rights and global commercial rights in relation to IMM01. For details of key personnel for the R&D of IMM01, please refer to "Business — Our Platform — Drug Discovery and Preclinical Development" and "Business — Our Platform — Clinical Development."

The currently approved immunotherapies primarily target T-cell immune checkpoints, including PD-1/PD-L1, CTLA-4 and LAG-3. However, only about 10% to 25% of patients across almost all major cancer types can benefit from PD-1/PD-L1 monotherapy treatment. To overcome the limitations of the current immunotherapies, mounting research highlights the potential to deploy innate immunity-targeted strategies for the treatment of a wide range of cancer indications. Among those, the CD47/SIRPα pathway has been clinically validated and became one of the most attractive and innovative immune targets for cancer treatment.

[1] Trillium Therapeutics (acquired by Pfizer in 2021) is another drug developer, besides us, that has observed CR in monotherapy clinical trials of CD47-targeted molecules with a well tolerated safety profile.

Addressable markets and competitive landscape

Given the potential broad-spectrum clinical application of CD47/SIRPα-targeted therapies, this new class of therapies presents vast market opportunities globally. 53 CD47/SIRPα-targeted drug candidates are currently under clinical development in China and globally, including fusion proteins, monoclonal antibodies, and bispecific molecules by 24 drug developers in China and 22 worldwide outside of China. As of the Latest Practicable Date, there were six CD47-targeted fusion proteins and 19 CD47-targeted monoclonal antibodies under clinical development globally. As of the Latest Practicable Date, there were no CD47-targeted therapies approved for marketing in China or the rest of the world. For details of competitive landscape of CD47/SIRPα-targeted fusion proteins and monoclonal antibodies, please refer to the paragraphs headed "Industry Overview — Promising Immunotherapies Targeting Innate Immune Checkpoints — Overview of CD47/SIRPα-targeted Drugs — Global and China CD47/SIRPα-targeted drugs competitive landscape — CD47-targeted fusion proteins and monoclonal antibodies." According to Frost & Sullivan, the global market size of CD47/SIRPα-targeted therapies is expected to reach US$12.6 billion and US$35.4 billion in 2030 and 2035, respectively. China's CD47/SIRPα-targeted therapy market is expected to grow to US$2.2 billion in 2030 and US$6.7 billion in 2035, with a higher growth rate compared to that of the global market. The prospect promised by CD47-targeted therapies was also validated by several multi-billion dollar take-over transactions of CD47 focused biotechnology companies as well as licensing deals for CD47-targeted agents backed by leading multinational pharmaceutical companies, including Gilead, Pfizer and AbbVie. Nonetheless, such growing market trend signifies that we face the intense competition in the development of CD47-targeted molecule. Globally, in addition to those large multi-national pharmaceutical firms that ventured into this realm through acquisitions, multiple companies are also developing CD47-targeted therapies, such as ALX Oncology, I-MAB and Innovent. Potential competitors also include academic institutions, government agencies, other public and private research organizations that conduct research, seek patent protection and establish collaborative arrangements for research, development, manufacturing and commercialization. We anticipate that we will face intense and increasing competition as new drugs enter the market and advanced technologies become available.

According to Frost & Sullivan, as of the Latest Practicable Date, there were no commercialized CD47/SIRPα-targeted drugs globally. Barriers to the design and development of effective and safe CD47-targeted drugs include blood toxicity, antigenic sink, Fc isotype selection and resulting efficacy, as well as T-cell toxicity. Failures to overcome these barriers may result in compromised efficacy, drug resistance and severe side effects. For details, please refer to the paragraphs headed "Industry — Promising Immunotherapies Targeting Innate Immune Checkpoints — Overview of CD47/SIRPα-targeted Drugs — Scientific barriers to CD47/SIRPα-targeted drug development." To address these potential issues, we carefully designed IMM01 with the specific engineered CD47-binding domain and IgG1 Fc to achieve enhanced efficacy balanced with well-tolerated safety profile.

We are developing the combination therapy of IMM01 and azacitidine for the first-line treatment of various blood cancers, including HR MDS, unfit AML, and CMML. According to Frost & Sullivan, the total incidence of MDS/CMML and AML was 470.1 thousand and 54.2 thousand in 2022 globally and in China, respectively, and is expected to increase to 553.2 thousand and 61.6 thousand in 2030 globally and in China, respectively. MDS/CMML and AML are two types of hematologic cancers that lack effective options for first-line treatments as current first-line treatments are still limited to conventional chemotherapy. Please refer to "Industry Overview — Selected Indications Analysis — Hematologic Malignancies" for further details on current treatment paradigm and unmet medical needs of MDS/CMML and AML.

Our combination therapy of IMM01 and tislelizumab is being evaluated in the ongoing clinical trials for the treatment of various advanced solid tumors that are not responsive to or relapsed from the standard of care such as PD-1/PD-L1 inhibitors, including among others, lung cancer (NSCLC and SCLC) and HNSCC. The total incidence of solid tumors, including among

others, NSCLC, SCLC, and HNSCC was 7.0 million and 2.3 million in 2022 globally and in China, respectively, and is expected to increase to 8.6 million and 2.9 million in 2030 globally and in China, respectively. We are also evaluating this combination therapy in R/R cHL patients. The total incidence of cHL was 6.7 thousand and 81.0 thousand in 2022 globally and in China, respectively, and is expected to increase to 7.1 thousand and 90.3 thousand in 2030 globally and in China. Please refer to "Industry Overview — Selected Indications Analysis — Solid Tumors" for further details on current treatment paradigm and unmet medical needs of NSCLC, SCLC, and HNSCC.

Monotherapy

IMM01 single agent has demonstrated encouraging results in safety and efficacy in our Phase I dose-escalation study targeting R/R lymphoma. For details, please refer to "Business — Our Innate Immune Checkpoint-Targeted Drug Candidates — IMM01 — Summary of Clinical Trial Results."

We initiated our clinical development of IMM01 through its monotherapy trial, and subsequently expanded our focus to encompass combination therapy programs, driven by the safety profile of IMM01 monotherapy and its observed synergistic effects with other cancer agents. With positive efficacy signals obtained from the Phase I monotherapy trial, we commenced a Phase II cohort-expansion study for IMM01 monotherapy in October 2021, with the primary goal of developing this monotherapy for one or two niche lymphoma indications. In light of the emerging data from our various clinical programs and prevailing industry trends, we observed that IMM01 combination therapies and CD47-based bispecific molecules exhibited stronger clinical activity for the indications initially targeted by IMM01 monotherapy, suggesting a higher probability of obtaining marketing approval. As a result, we strategically reallocated our resources to prioritize the development of combination and bispecific therapies, and subsequently terminated the Phase II monotherapy trial in October 2022, following consultation with principal investigators. On April 26th, 2023, we informed the NMPA through the *chinadrugtrials* platform (藥物臨床試驗登記與信息公示平臺, a trial registration and publicity platform operated by CDE) of the termination of the Phase II monotherapy clinical trial for IMM01 and have not received any material objections or requests for additional information. The NMPA did not and will not revoke the existing IND approvals due to the termination of the Phase II monotherapy trial.

IMM01 will be regulated as the same drug product by the NMPA under the currently effective Drug Registration Administration Measures, regardless of whether IMM01 is used as monotherapy or in combination therapies. The Company conducted a formal consultation with the CDE of the NMPA through the NMPA's official communication and consultation channel "Drug Registration Applicant's Window" (藥品註冊申請人之窗) between March 28 and March 31, 2022. Based on the consultation and as confirmed by the Company's PRC legal advisor, a cancer drug (first approved in combination therapies, as is the expected case with IMM01) will remain registered with the NMPA under the same drug approval number when additional supplemental NDA approvals for new indications are obtained through the use of such drug in various combination therapies (if such indication has previously been approved by the NMPA) after the first NDA approval of that drug, as long as the structure, preparation, formulation, and route of administration of such cancer drug remain unchanged in the various newly approved combination therapies. Therefore, under the NMPA's regulatory regime, once IMM01 receives initial approval for use in one combination therapy, IMM01, the single drug product itself, will be registered under a drug registration certificate with a designated drug approval number. Subsequent approvals for IMM01, when used in other combination therapies for other indications which have obtained competent authorities' regulatory approvals, will remain registered and regulated as the same single product under the same drug registration certificate with the same drug approval number.

In light of the termination of the Phase II monotherapy trial and the suspension or termination of clinical trials of CD47-targeted drug candidates by other drug developers, the Company conducted another formal consultation with the CDE of the NMPA through the Drug Registration Applicant's Window between April 25 and May 17, 2023. During this consultation, the Company (the trial sponsor for clinical trials of IMM01) summarized and presented the relevant facts and circumstances related to the development status of IMM01. Based on this factual summary, the Company sought confirmation from the CDE as to whether the trial sponsor may, after termination of the Phase II monotherapy trial or after the suspension or termination of clinical trials of same-target drug candidates by other drug companies, continue to advance the various combination therapy clinical trials according to previously approved trial designs and protocols. The CDE, during this consultation, reviewed the Company's factual summary and consultation questions and confirmed that the trial sponsor itself may choose to suspend or terminate any of its clinical trials. In the consultation, the CDE did not question the Company's discretion to proceed with the (monotherapy or combination therapy) trials of its own drug candidate (including to advance its combination therapy trials in accordance with previously-approved trial designs and protocols); nor did the CDE require any modification to the previously-approved trial designs and protocols for the combination therapy trials, despite termination of the Phase II monotherapy trial or suspension or termination of other companies' clinical trials of drug candidates with the same target. The CDE reminded the Company that, in the event of any serious safety issues with any of the trials, the trial sponsor needs to timely report to, and communicate with, the regulatory authority. As of the Latest Practicable Date, the Company has not received any queries, limitations or requirements regarding its combination therapy trials and previously-approved trial designs and protocols, and the Company remains committed to complying with the applicable reporting and other obligations under the relevant rules and regulations.

Combination of IMM01 and azacitidine

We are evaluating the combination of IMM01 and azacitidine for the first-line treatment of various blood cancers, including HR MDS, unfit AML, and CMML. Upon completion of the Phase Ib trial, we initiated a Phase II cohort expansion trial of IMM01 and azacitidine mainly for the first-line treatment of HR MDS, unfit AML and CMML in China in June 2022. Particularly, we plan to seek an accelerated marketing approval through relatively small sample size studies targeting the first-line treatment of CMML, a rare type of disease with highly unmet medical needs. Subject to the clinical results of Phase II trial, we expect to commence a pivotal trial in China in the first quarter of 2024.

As validated by multiple publicly reported clinical trials, the combination of CD47-targeted therapies and azacitidine can generate synergistic tumor-killing effects. However, since azacitidine also induces blood toxicity, its combination with CD47 antibodies (which also cause blood toxicity) may lead to exacerbated blood toxicity and serious safety issues. In contrast, based on the initial data from our ongoing Phase Ib/II clinical trial, IMM01 presents strong potential to be a combination partner with azacitidine because of its dual mechanisms and favorable safety profile. IMM01 is also safer than CD47 antibodies partly due to the significantly lower dose required (2.0 mg/kg), as compared to the typical dose of 30.0 to 45.0 mg/kg required for CD47 antibodies. Specifically, for the first-line treatment of MDS, I-MAB's lemzoparlimab, Gilead's magrolimab, and Innovent's IBI188 have achieved ORRs of 80.6%, 90.9%, and 93.9% after three cycles of treatment, respectively, when each used at a dose level of 30 mg/kg in combination with azacitidine. In comparison, IMM01's combination with azacitidine has achieved an ORR of 93.8% at 2.0 mg/kg after three cycles of treatment.

Interim data as of February 10, 2023 from the Phase Ib/II clinical trial has demonstrated favorable safety profile and promising efficacy profile. For further details of preclinical and clinical data, please refer to the paragraphs headed "Business — Our Innate Immune Checkpoint-Targeted Drug Candidates — IMM01 — Competitive Advantages of IMM01-based Combination Therapies."

Subject to further clinical validation, we plan to file an IND application for a Phase II study with the FDA for this combination treatment. For further details of clinical plan, please refer to the paragraphs headed "Business — Our Innate Immune Checkpoint-Targeted Drug Candidates — IMM01 — Clinical Development Plan."

Combination of IMM01 and tislelizumab

We intend to develop the combination therapy of IMM01 and tislelizumab for the treatment of cancers that are not responsive to or relapsed from the standard of care such as PD-1/PD-L1 inhibitors, including among others, NSCLC, SCLC, and HNSCC. We are currently evaluating IMM01 and tislelizumab in a Phase II trial in various advanced solid tumors that failed to respond to or relapsed from the standard of care such as PD-1/PD-L1 inhibitors. In addition, we are also evaluating this combination therapy in cHL patients who relapsed or progressed after the treatment of PD-1 inhibitors in this Phase Ib/II trial, which may allow us to pursue an accelerated marketing approval leveraging the results of relatively small sample size studies.

So far, PD-1/PD-L1 inhibitor monotherapy only produces meaningful responses in 10% to 25% patients across almost all major cancer types. Moreover, survival benefits of current combination therapies based on PD-1/PD-L1 inhibitors are limited in many cancer types, highlighting a clear need for other effective treatment options to improve treatment outcomes for patients. Unlike CD47 antibodies, IMM01 is designed to fully activate macrophages by activating an additional "eat me" signal. Activated macrophages can then secrete certain signaling proteins to recruit T cells to tumor sites, thus effectively converting "cold tumors" (tumors that lack T-cell infiltration) into "hot tumors" that are more responsive to the treatment of PD-1/PD-L1 inhibitors. Our preclinical studies have demonstrated promising synergistic antitumor effects for the combination of IMM01 with either PD-1 or PD-L1 inhibitors. For further details of preclinical data, please refer to the paragraphs headed "Business — Our Innate Immune Checkpoint-Targeted Drug Candidates — IMM01 — Competitive Advantages of IMM01-based Combination Therapies."

We have completed the Phase Ib trial and initiated the Phase II trial in December 2022. In our Phase Ib trial, a heavily pre-treated NSCLC patient with six lines of prior treatment and refractory to PD-1 inhibitors achieved partial response (PR) after three cycles of treatment with target lesion shrinkage of 40%. In July 2022, we obtained the NMPA's consent for adding R/R cHL as an additional expansion cohort into the ongoing combination trial of IMM01 and tislelizumab. We dosed the first patient with R/R cHL in January 2023. For further details of clinical plan, please refer to the paragraphs headed "Business — Our Innate Immune Checkpoint-Targeted Drug Candidates — IMM01 — Clinical Development Plan."

Combination of IMM01 and other drugs

IMM01 has demonstrated a positive efficacy and safety profile in its Phase I monotherapy trial, which sets the stage for its combination use with other immunotherapies or targeted therapies. We are currently exploring therapeutic potential of IMM01 in combination with various other drugs for a range of cancer indications. We reached a collaboration with Sunshine Guojian, under which Sunshine Guojian will be primarily responsible for driving and funding the clinical development of the combination treatment of IMM01 and inetetamab for HER2-positive solid tumors in mainland China. For details of our collaboration with Sunshine Guojian, please refer to the paragraphs headed "Business — Collaboration Agreement." We have observed potent antitumor activities of IMM01 combined with bortezomib and dexamethasonum in preclinical studies using

MM xenograft model in mice, and subsequently obtained an IND approval for the Phase Ib/IIa clinical trial to evaluate this combination therapy for the treatment of MM from the NMPA in January 2023. We may seek partnership to advance the development of this combination therapy in the future. We are also conducting numerous preclinical studies to evaluate the combination use of IMM01 with other drugs. These combination studies have revealed strong synergistic potential in our mouse models.

Our Key Products

Our Key Products include IMM0306 (CD47×CD20), IMM2902 (CD47×HER2) and IMM2520 (CD47×PD-L1), which are CD47-based bispecific molecules developed on our proprietary bispecific platform. Their unique structural design allows our CD47-based bispecific molecules to avoid RBC binding, thus enabling full macrophage activation and much improved innate and adaptive immune activities, which results in stronger antitumor immune responses compared to most other CD47 bispecific antibodies.

Compared to combination therapies against the same targets, our bispecific molecules are able to bind with two targets co-expressed on the same cancer cell, which is the prerequisite for the dual-targeting strategy to show synergistic effects. As demonstrated in our preclinical studies, our bispecific molecules can exert at least comparable antitumor activity than the combination therapies with same targets even at a relatively lower dose level. In addition, the symmetric structure of our bispecific molecules developed on our mAb-Trap platform minimizes mismatch during the production process, allowing for ease of manufacturing, product stability, higher titer and protein yield.

Addressable markets and competitive landscape

The following table summarizes the addressable patients and number of competing drug candidates for our key products. For more information regarding the addressable markets and competitors of our key products, please refer to the paragraphs headed "Industry Overview — Promising Immunotherapies Targeting Innate Immune Checkpoints — Overview of CD47/SIRPα-targeted Drugs — Global and China CD47/SIRPα-targeted drugs competitive landscape — CD47-targeted bispecific molecules."

Key Products	Indication	Addressable Patients (thousand)				Number of competitors[1]
		China		Global		
		2022	2030E	2022	2030E	
IMM0306	R/R B-cell NHL	39.4	47.2	229.9	275.4	1
IMM2902	HER2-positive and HER2-low expressing solid tumors	3,435.8	4,217.1	13,393.9	16,287.8	0
IMM2520	Solid	3,079.6	3,823.3	10,118.1	12,441.5	8

Note:

(1) "Competitors" refer only to bispecific molecules with the same targets as our respective key products.

IMM0306 (CD47×CD20)

IMM0306, one of our Key Products, is the first CD47×CD20 bispecific molecule globally to enter into clinical stage. We are currently developing IMM0306 for the treatment of R/R B-NHL. It has a higher affinity for CD20 than CD47, which enables it to preferentially and simultaneously

bind to CD20 and CD47 on malignant B cells rather than CD47-positive normal tissues and further mitigate CD47-related toxicity. For the details on the mechanism of action, please refer to the paragraphs headed "Business — Our Innate Immune Checkpoint-Targeted Drug Candidates — IMM0306 — Mechanism of Action."

Our preclinical studies suggest that IMM0306 is more potent than RITUXAN® (rituximab, a CD20 mAb) monotherapy, even at a much lower dosing level, and it is more potent than the combination therapy of IMM01 and rituximab at a comparable dosing level. We initiated a Phase I trial for IMM0306 in R/R B-NHL in China in May 2020, of which the preliminary data demonstrated encouraging results in safety and efficacy. For further details of clinical data, please refer to "Business — Our Innate Immune Checkpoint-Targeted Drug Candidates — IMM0306 — Competitive Advantages."

The clinical results of IMM0306 have provided further validation of our mAb-Trap platform. We commenced a Phase IIa trial for IMM0306 monotherapy for the third- or later-line treatment of follicular lymphoma (FL), a slow-growing type of NHL, in March 2023 and plan to seek an accelerated marketing approval through a single-arm trial. We expect to commence pivotal clinical trials in China in the third quarter of 2024. Furthermore, our IND application for the combination of IMM0306 and lenalidomide targeting front-line B-NHL was approved by the NMPA in January 2023. We have commenced the Phase Ib/IIa clinical trial for this combination in China, with the first patient dosed in June 2023. We have also received an IND approval for IMM0306 from the FDA in January 2021. With further clinical validation in the clinical trials in China, we will then decide on our clinical development and collaboration strategy for IMM0306 in the U.S. For further details, please refer to the paragraphs headed "Business — Our Innate Immune Checkpoint-Targeted Drug Candidates — IMM0306 — Clinical Development Plan."

IMM2902 (CD47×HER2)

IMM2902, one of our Key Products, is currently the only CD47×HER2 bispecific molecule that has entered into clinical stage globally. Our IMM2902 is being developed for the treatment of HER2-positive and HER2-low expressing solid tumors. IMM2902 suppresses tumor cell growth and proliferation through the blockade of HER2 and CD47/SIRPα inhibitory signals as well as the promotion of HER2 degradation, and further destroys tumor cells through enhanced innate immune responses. For the details on the mechanism of action, please refer to the paragraphs headed "Business — Our Innate Immune Checkpoint-Targeted Drug Candidates — IMM2902 — Mechanism of Action."

Our preclinical studies demonstrated strong antitumor activities of IMM2902 in a variety of breast and gastric tumor models, including those with HER2-low expression and resistant to trastuzumab. We are conducting a Phase Ia/Ib clinical trial in China to evaluate IMM2902 in advanced HER2-positive and HER2-low expressing solid tumors, including breast cancer (BC), gastric cancer (GC), non-small cell lung cancer (NSCLC) and biliary tract cancer (BTC), with the first patient dosed in February 2022. IMM2902 was shown to be safe and well tolerated up to 2.0 mg/kg. Dosing is ongoing for higher dose level cohorts. We have also initiated the clinical trial for advanced HER2-positive and HER2-low expressing solid tumors in the U.S. with the first patient dosed in June 2022. We have received the Fast Track Designation from the FDA in July 2022. For further details, please refer to the paragraphs headed "Business — Our Innate Immune Checkpoint-Targeted Drug Candidates — IMM2902 — Clinical Development Plan."

IMM2520 (CD47×PD-L1)

IMM2520, one of our Key Products, is a CD47×PD-L1 bispecific molecule for the treatment of solid tumors. By targeting CD47 and PD-L1 on tumor cells and with its unique design, IMM2520 can simultaneously activate macrophages and T cells to achieve strong synergistic

effects and trigger lasting immune responses against tumors. For the details on the mechanism of action, please refer to the paragraphs headed "Business — Our Innate Immune Checkpoint-Targeted Drug Candidates — IMM2520 — Mechanism of Action."

IMM2520 showed *in vivo* efficacy and safety in several animal models. We have obtained IND approvals for IMM2520 from the NMPA in November 2022 and from the FDA in December 2022, and dosed the first patient for the Phase I clinical trial in China in March 2023. We will primarily focus on the solid tumors generally resistant or not sensitive to the currently available immunotherapies, such as colorectal cancer (CRC), gastric cancer (GC), lung cancer and head and neck squamous cell carcinomas (HNSCC), among others. With further clinical validation from the Phase I trial in China, the Company will carefully decide whether to proceed with a clinical trial or explore potential collaboration opportunities in the U.S. For further details, please refer to the paragraphs headed "Business — Our Innate Immune Checkpoint-Targeted Drug Candidates — IMM2520 — Clinical Development Plan."

CD24-targeted Drug Candidates

In addition to CD47, we have selected and validated another innate immune checkpoint, CD24. We started the discovery research on CD24 as early as 2019, and have successfully identified lead drug candidates with potent target activity and *in vivo* therapeutic efficacy. Currently, we have one innovative IND-enabling-stage drug candidate (IMM47) and several discovery- and preclinical-stage molecules, including IMM4701 and IMM2547, targeting this checkpoint. CD24 is widely expressed in numerous types of solid tumors, including BC, NSCLC, CRC, HCC, renal cell carcinoma (RCC), and OC, and has been recognized as an important marker for poor prognosis of those cancers, presenting tremendous clinical potential. However, according to Frost & Sullivan, there is no approved drug targeting CD24 globally. No CD24-targeted drug candidate has entered into clinical stage worldwide, except for one drug candidate recently receiving IND approval from the FDA for its Phase I clinical trial.

IMM47 (CD24 mAb)

IMM47 is a potentially global first-in-class humanized monoclonal antibody targeting CD24 for cancer treatment. We have successfully screened IMM47 despite the fact that the screening of antibodies against CD24 is highly challenging due to the relatively weak immunogenicity resulting from its small extracellular domain. With its differentiated molecule design, IMM47 can specifically bind to CD24 and potently activate macrophage and NK cell-immune responses. IMM47 has been shown to significantly increase the amount of M1 macrophages (a subtype of macrophages that can fight infections and trigger inflammation to defend harmful invaders) in tumor tissues in our *in vivo* proof-of-concept studies. It can also activate and promote T-cell response likely through tumor antigen presentation and direct blockade of immune inhibitory signals. Our preclinical studies have demonstrated promising efficacy of IMM47. In addition, IMM47 can establish tumor-specific immune responses that prevent tumor growth even against re-inoculation of tumor cells in mice, demonstrating its capability to further induce T-cell-based adaptive immune activation. We expect to file IND applications for IMM47 for the treatment of solid tumors with the NMPA and the FDA in 2023, and initiate a Phase I dose-escalation study in Australia in August 2023. Initiating a clinical trial in Australia first can help us to begin global clinical trials earlier and accelerate clinical validation of IMM47. Additionally, we believe Australian trial can generate valuable clinical data on ethnically diverse populations, thus enhancing our ability to pursue collaboration opportunities with global pharmaceutical companies.

For details on IMM4701, a CD47xCD24 bispecific molecule, please refer to "Business — Our Innate Immune Checkpoint-targeted Drug Candidates — IMM4701(CD47xCD24)."

Other Innate Immunity-based Drug Candidates

We have also been actively evaluating the therapeutic potential of other innate immune checkpoints, including IL-8, NKG2A and PSGL-1, and we aim to continue to stay at the forefront of the development of immunotherapies through scientific innovation.

Adaptive Immunity-based Drug Candidates

IMM2510 (VEGF×PD-L1)

IMM2510 is a bispecific molecule targeting both VEGF and PD-L1. IMM2510 can block the formation of new blood vessels, causing tumors to shrink. It can also make tumor cells more responsive to the immune system while activating T cells, NK cells, and macrophages. Our preclinical efficacy studies showed that IMM2510 exerted stronger synergistic antitumor activities than the combination of a VEGF blocker and a PD-L1 antibody. We are currently conducting the Phase I dose-escalation trial for IMM2510 in China in a variety of advanced solid tumors, including, but not limited to, HCC, RCC, GC, NSCLC and soft-tissue sarcomas (STS). Initial clinical results as of February 15, 2023 have shown favorable safety and promising efficacy. For further details of clinical data, please refer to "Business — Our Adaptive Immune Checkpoint-Targeted Drug Candidates — IMM2510 — Competitive Advantages." We expect to complete this dose-escalation study in the third quarter of 2023, and subsequently commence a cohort-expansion study.

IMM27M (CTLA-4 ADCC-enhanced mAb)

IMM27M is a new generation CTLA-4 antibody with enhanced ADCC activity, which can induce potent T-cell antitumor responses. Our preclinical studies have demonstrated that IMM27M could induce significantly stronger antitumor activity than YERVOY® (ipilimumab) and it resulted in complete tumor remission even at a dose as low as 0.3 mg/kg (~0.03 mg/kg human equivalent dose), at which ipilimumab only exhibited approximately 50% tumor growth inhibition. We have commenced the Phase I clinical trial in solid tumors, with the first patient dosed in June 2022. We had enrolled 15 patients as of February 10, 2023, and we are currently enrolling patients for the sixth cohort of 5.0 mg/kg. The preliminary data demonstrates that IMM27M is safe and well tolerated up to 3.0 mg/kg and showed positive efficacy signals. For further details of clinical data, please refer to "Business — Our Adaptive Immune Checkpoint-Targeted Drug Candidates — IMM27M." We expect to complete this trial in the third quarter of 2023. We received an IND approval from the NMPA for a Phase Ib/II study to evaluate the combination of IMM27M and a PD-1 antibody for the treatment of advanced solid tumors, such as RCC, NSCLC, GC and thymic carcinoma (TC), in March 2023. We may initiate clinical trials or explore collaboration opportunities for this combination therapy.

For details on IMM40H, a CD70 monoclonal antibody, please refer to "Business — Our Adaptive Immune Checkpoint-targeted Drug Candidates — IMM40H (CD70 mAb)."

Our Platform

We have established an integrated platform encompassing three main functions: (i) drug discovery and preclinical development, (ii) CMC and pilot manufacturing and (iii) clinical development. Leveraging the collaboration among different functional groups, our platform empowers us with robust research and development capabilities, allowing us to efficiently discover and advance the development of immunotherapies towards commercialization. As a result, we have constructed a comprehensive pipeline consisting of 14 drug candidates targeting both innate and adaptive immune systems, with eight ongoing clinical programs.

Our drug discovery and preclinical platform includes advanced hybridoma technology, high-throughput screening, strong immunoassay and bioassay technology, and a proprietary mAb-Trap bispecific platform. These integrated platforms allow us to efficiently conduct screening for lead compounds and druggability analysis. Our advanced hybridoma technology, together with the high-throughput screening technology, can effectively and quickly screen out antibodies with optimized properties. Our mAb-Trap platform was built to design bispecific molecules that connect engineered binding domains to the heavy chain or light chain of a base antibody. The molecule structure designed on this platform can be best suited for the targets we have selected. Moreover, the bispecific molecules developed on this platform have a symmetric structure, akin to that of native antibodies, allowing for ease of manufacturing, product stability, higher titer and protein yield. Leveraging this mAb-Trap platform, we have constructed a number of bispecific molecules and four of them have entered into clinical development stage, including IMM0306 (Phase II trial in China), IMM2902 (Phase Ia/Ib trial in China and the U.S.), IMM2510 (Phase I trial in China) and IMM2520 (Phase I trial in China). In fact, average protein yield for IMM0306, IMM2902, and IMM2520 ranges from 3.8 g/L to 4.6 g/L, much higher than the industry average for bispecific molecules of 1.0 g/L to 3.0 g/L. Bispecific molecules designed on the mAb-Trap platform will then be evaluated for *in vitro* pharmaceutical activities with immunoassay and bioassay. Our established preclinical development function enables us to perform studies concerning proof-of-concept *in vivo* efficacy, preclinical pharmacokinetic and pharmacodynamic, and toxicological in animals. Based on the *in vitro* activity, *in vivo* efficacy and quality data, we will select a lead molecule for further evaluation. Leveraging our drug discovery and preclinical development capabilities, we are developing 14 drug candidates at various stages. These in-house developed drug candidates all have the potential to be either first-in-class or best-in-class drugs if successfully advanced to the market.

Our CMC team is responsible for, among other relevant functions, cell line development, upstream and downstream process development, formulation development, analytical method development and validation, and pilot manufacturing. For cell line development, we developed CHO-K1 host cell line with the glutamine synthetase gene knocked out via gene editing. We have also developed and optimized the cell line screening techniques which significantly help shorten the time for the development of stable expression cell lines with much higher titer.

We have established substantial pilot manufacturing capabilities with a total production capacity of 450L and are able to manufacture drug candidates in-house in an efficient and cost-effective manner. In addition, we have already commenced the construction of our new manufacturing facility occupying a site area of approximately 28.7 thousand square meters in Zhangjiang Science City, Pudong New Area of Shanghai, which is designed to meet the stringent cGMP standards. We plan to complete the first stage of construction by 2025, and plan to commence second stage of construction depending on the schedule of the regulatory approval and the sales ramp-up of our drug portfolio in the future.

Our clinical development function is responsible for clinical trial design and implementation, as well as translational medicine. We also engage CROs in China and the U.S. to support our clinical trials. From time to time, we seek advises from consultants with industry expertise to help enhance the design for our trials in China and U.S., and leverage their networks to improve trial execution efficiency in the U.S. We have established long-standing partnerships with hospitals and principal investigators throughout China and the U.S., which enables us to conduct multiple large-scale clinical trials. In addition, our medical function allows us to analyze preclinical and clinical data to guide our clinical strategy, the design and timely adjustments of clinical development plans.

For further details, please refer to the paragraphs headed "Business — Our Platform."

OUR COMPETITIVE STRENGTHS

We believe the following strengths have contributed to our success and differentiated us from our competitors:

- science-driven biotechnology company with a pipeline harnessing both the innate and adaptive immune systems;
- a comprehensive innate immunity-based portfolio targeting a wide range of solid and hematologic tumors;
- differentiated molecule design to achieve potent efficacy and favorable safety;
- integrated proprietary R&D engine anchored around our deep understanding of tumor immunology, continuously driving the discovery and development of immunotherapies; and
- seasoned management team with a track record of drug innovation and clinical development, led by a renowned immunologist founder and backed by blue chip investors.

OUR STRATEGIES

Leveraging our strengths, we plan to implement the following strategies:

- to advance the development of our drug candidates to unleash their therapeutic potential and address substantial unmet medical needs;
- to expand our overseas footprint and maximize the clinical and commercial value of our drug candidates through clinical trials and accretive partnerships;
- to continuously enrich our innovative pipeline through fundamental biological research and translational medicine;
- to upscale our GMP-compliant manufacturing capacity; and
- to enlarge our talent pool to support our continuous growth.

OUR CUSTOMERS AND SUPPLIERS

Customers

During the Track Record Period, since we had not obtained regulatory approval for the commercial sale of any of our drug candidates, we had not generated any revenue from sales of any drug products. Our revenue was generated from out-licensing fee, sales of cell strain and other products and testing services during the Track Record Period. For further details, please refer to the paragraphs headed "Financial Information — Description of Selected Components of Consolidated Statements of Profit or Loss and Other Comprehensive Income — Revenue." In each period of the Track Record Period, the aggregate sales to our five largest customers were RMB5.0 million, RMB0.5 million and RMB0.06 million, representing 98.8%, 84.6% and 89.1% of our total sales, respectively. Revenue from our single largest customer accounted for 93.3%, 28.1% and 43.6% of our total sales amount for the same periods, respectively.

Suppliers

During the Track Record Period, our suppliers primarily consisted of CROs, CMO/CDMOs, and suppliers of equipment, devices and construction services. We select our suppliers by considering their product quality, costs, delivery standards, industry reputation and compliance with relevant regulations and industry standards.

In each period of the Track Record Period, the aggregate purchases attributable to our five largest suppliers amounted to RMB55.9 million, RMB58.1 million and RMB14.7 million, respectively, representing 32.4%, 30.2% and 40.7% of our total purchases, respectively. Purchases attributable to our single largest supplier amounted to RMB17.8 million, RMB16.8 million and RMB5.8 million for the same periods, accounting for 10.3%, 8.7% and 16.0% of our total purchases, respectively. All of our five largest suppliers during the Track Record Period operate their business in the PRC, except for one major supplier in 2022 and two major suppliers in the four months ended April 30, 2023 that operate their business in the U.S. We believe that we have maintained strong and stable relationships with our major suppliers.

COLLABORATION AGREEMENT

Collaboration with Sunshine Guojian

On January 18, 2021, we entered into a joint drug development collaboration agreement with Sunshine Guojian. Pursuant to this agreement, the parties will collaborate to conduct clinical studies to evaluate the combination therapy of inetetamab and IMM01 for the treatment of HER2-positive solid tumors in mainland China (excluding Hong Kong, Macau and Taiwan).

Pursuant to the agreement, Sunshine Guojian is responsible for the design of the clinical study protocol, coordination with the CROs and regulatory filings related to each phase of clinical studies. Sunshine Guojian has final decision-making authority with respect to all material matters in relation to the clinical studies, including but not limited to, the preparation and modification of the clinical trial protocols, of this combination therapy for selected indications.

Each party will supply its product for the purpose of clinical studies at its own cost. All costs incurred in the clinical studies in mainland China will be borne by Sunshine Guojian, except for certain costs to be borne by us as provided in the agreement, including the cost of supplying IMM01, the costs of assigning our own representatives to participate in the clinical development and regulatory communications and providing related technology support. Each party retains ownership of intellectual property rights in its own product. Any new data generated and intellectual property rights (including patents) arising from collaborated clinical studies will be jointly owned by both parties. We retain full rights to commercialize IMM01 worldwide.

For details, please refer to the paragraphs headed "Business — Collaboration Agreement."

RELATIONSHIP WITH CROs AND CMOs/CDMOs

As is customary in the pharmaceutical industry, we use CROs to conduct and support our preclinical studies and clinical trials under our close supervision and overall management. We currently also collaborate with CMOs/CDMOs for the manufacturing of a portion of our drug candidates for preclinical studies and clinical trials. During the Track Record Period and up to the Latest Practicable Date, all the CROs and CMOs/CDMOs that we collaborate with were independent third parties.

For further details, please refer to the paragraphs headed "Business — Our Platform — CMC and Pilot Manufacturing" and "Business — Our Platform — Clinical Development."

INTELLECTUAL PROPERTY

As of the Latest Practicable Date, we owned (i) nine issued patents in the PRC, (ii) eight issued patents in the U.S., (iii) eleven issued patents in other jurisdictions, and (iv) 25 patent applications. Specifically, in relation to our Core Product, IMM01, as of the Latest Practicable Date, we owned one patent family, which includes one issued patent in the PRC, one issued patent in the U.S., one issued patent in the European Union (EU) and one issued patent in Japan with expiration dates in 2035, as well as two pending patent applications in the U.S. and one PCT patent application which has entered national phases[1].

In China, we fully own the intellectual property rights in relation to our Core Product, IMM01, which was discovered, designed and developed by Dr. Deqiang Jing[2] and Dr. Wenzhi Tian[3], both of whom are currently key R&D personnel of the Company, when Dr. Jing was a consultant at Hanyu and Dr. Tian worked at Huabo Biopharm, respectively. For the purpose of developing the product, Hanyu entered into a technology development agreement with Huabo Biopharm in March 2014, under which Huabo Biopharm was engaged to provide CRO-like technical service for the production of two recombinant proteins, HY03M and HY03MM (which are described in the IMM01 patent family), by using the target gene DNA provided by Hanyu, and Hanyu was required to pay a service fee to Huabo Biopharm. As a result, all the products of the CRO-like technical service along with their legal rights shall belong to Hanyu. During the discovery process, Dr. Jing made substantive contributions to, among others, the structure and sequence designs, biological activity analysis, and animal studies of the IMM01 molecule and Dr. Tian made substantive contributions to the related inventions of IMM01 patent family by, among others, providing suggestions on the sequence, vector construction, protein expression, and bio-assay analysis. In August 2015, the Company entered into a patent application assignment agreement with Hanyu ("**Hanyu Agreement**"), pursuant to which all rights in a Chinese patent application No. 201510203619.7 and the inventions disclosed therein in relation to the target molecule (which was later developed to IMM01) were transferred from Hanyu to the Company. The Company obtained the full rights to IMM01 based on the assignment agreement, and Hanyu does not retain any rights to IMM01 according to this assignment agreement, as confirmed by the IP legal advisor. The initial Chinese patent application filed by Hanyu listed Lijuan Liu, Dr. Deqiang Jing and Hua Wang as inventors. However, as confirmed by Hanyu in supplemental agreements dated August 31, 2015 to the assignment agreement, and confirmed in the interview with Dr. Tian, Dr. Jing and Lijuan Liu on November 11, 2022, only Dr. Tian and Dr. Jing are the inventors that made substantive contributions to the inventions of IMM01. Under the supplemental agreements, Hanyu also confirmed that the Company may list the correct inventors in the U.S. patents and patent applications as well as other foreign patents and patent applications in the patent family which were filed subsequently after the transfer of the patent rights. Hanyu was officially deregistered in July 2020 and no longer exists as a legal entity. The Company did not correct the inventorship of the Chinese patent No. ZL201510203619.7 since the relevant patent application was already filed at the time of transfer. As advised by JunHe LLP, the PRC intellectual property legal advisor to the Company, the error in inventorship in this Chinese patent would not affect the ownership rights or validity of this Chinese patent since this Chinese patent has been granted and the error in inventorship does not form a legal ground to challenge the

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1 "National phases" in the PCT process refers to the point at which the applicant begins pursuing specific patents in selected PCT contracting states after initially filing a PCT international patent application. During the national phase, the patent application may undergo further substantive examination, including prior art searches, substantive examination of patentability requirements (e.g., novelty, inventive step, industrial applicability), amendments to the patent application documents, or interviews with patent examiners. Ultimately, if the patent application meets the requirements of the national or regional patent office, a patent may be granted, providing the applicant with exclusive rights to the invention within that jurisdiction.

2 Dr. Deqiang Jing is our senior director in the clinical department. He was engaged as a consultant by Shanghai Hanyu Biopharmaceuticals Co., Ltd (上海翰礽生物科技有限公司) ("**Hanyu**") from February 2014 to July 2020.

3 Dr. Wenzhi Tian is our founder, chief executive officer and chief scientific officer. He co-founded Huabo Biopharm (Shanghai) Co., Ltd. (華博生物醫藥技術(上海)有限公司) ("**Huabo Biopharm**") and served as its general manager from June 2011 to April 2015.

validity of a patent under the Chinese patent laws and regulations, and the Company fully owns the intellectual property rights and global commercial rights in relation to IMM01. For further details on our Chinese patent in relation to IMM01, see "Business — Intellectual Property."

In the U.S., we are aware of certain issued patents belonging to third parties that may potentially cover our CD47-based drug candidates and may not expire before our anticipated commercial launch of relevant drug candidates in the U.S. As reviewed and advised by our U.S. legal advisor as to intellectual property law, Jun He Law Offices P.C.[1], the scope of the relevant patent claims is too broad and the patent claims are obvious over prior art[2] or lack written description and enablement support[3], the validity and enforceability of the third-party patents are thus questionable; as a result, if such third parties bring the legal proceedings against us, the risk that we will be determined by courts or other competent authorities in the U.S. to have infringed on such patent rights of the third parties is remote. However, in the hypothetical worst-case scenario that such patent infringement claims against us do arise, the court subsequently rules against us and we also lose all the subsequent appeal regarding the infringement claims ("**Hypothetical Worst-case Scenario**"), we may not be able to commercialize the products in the U.S. unless and until we obtain a license under the applicable patents or such patents expire. Any such license arrangement may require us to pay royalties and other fees to the third parties. We may not be able to obtain a license from third parties, or the terms of the license may not be commercially viable. Such Hypothetical Worst-case Scenario could further expose us to diversion of our resources and our management's attention. Even if in the Hypothetical Worst-case Scenario, the commercialization of our CD47-based drug candidates in PRC would not be impacted since the potentially relevant patents are U.S. patents which can only have effects in the U.S. For details, please refer to the paragraphs headed "Risk Factors — Key Risks Relating to Our Business, Business Operations, Intellectual Property Rights and Financial Prospects — Third parties may initiate legal proceedings alleging that we are infringing, misappropriating or otherwise violating their intellectual property rights, the outcome of which would be uncertain."

Thus, in the PRC and U.S., as advised by our intellectual property legal advisors, JunHe LLP and Jun He Law Offices P.C., the risk that potential objections or claims from other parties (including, without limitation, Hanyu, Huabo Biopharm, Hua Wang and Lijuan Liu, or any of their respective associates) may affect us in respect of IMM01 would be remote. For the above mentioned potentially relevant patents in the U.S., the risk that we will be determined by courts or

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1 Jun He Law Offices P.C. has a registered office in the Silicon Valley of California and has extensive experience in the U.S. patent practice. Its patent team has deep expertise across many aspects of life sciences including biological and small therapeutic compounds and uses thereof, proteomics, genomics, molecular diagnostics, drug discovery tools, chemicals and materials science, and medical devices. This patent team has decades of experience in a wide range of U.S. patent related matters including drafting, prosecuting patents at the U.S. Patent and Trademark Office, patent infringement and validity opinions regarding U.S. patents, strategic counseling and due diligence reviews of U.S. patents in M&A deals, capital market offerings, financing and other high-value transactions. In addition, a U.S.-based international law firm, Locke Lord LLP, was specifically engaged to analyze one certain relevant patent to assist our U.S. legal advisor to intellectual property laws, Jun He Law Offices P.C., in issuing its legal opinion.

2 "Prior art" refers to publications or knowledge that are available to the public before the effective filing date of a patent application. Prior art may be used to evaluate whether a claimed invention in a patent application contains certain level of creativity (*i.e.*, more than just a simple and obvious improvement over what already exists). "Obvious over prior art" means that, though a claimed invention is different from the prior art, the difference can be readily conceived by a person having ordinary skills in the relevant field (*i.e.*, a hypothetical person who is familiar with the ordinary technical knowledge in that field) before the effective filing date of this claimed invention. Generally, a patent should involve inventive steps that are not obvious to a person having ordinary skills in such field. If the claimed invention is obvious over prior art, a patent for this claimed invention may not be obtained, and if obtained, it shall be invalid.

3 "Lack of written description and enablement support" means the specification of a patent or patent application does not contain a written description of the invention which can enable any person having ordinary skills in the relevant field to make and use the same. Generally, a patent should have sufficient written description containing clear and detailed enough information and guidance so that a person having ordinary skills in that field would be readily able to practice the claimed invention. If the claimed invention lacks written description and enablement support, a patent for such a claimed invention may not be obtained, and if obtained, it shall be invalid.

other competent authorities to have infringed on such patent rights of the third parties is minimal. Based on the views of our legal advisor as to intellectual property law and our Directors, our drug candidates are unlikely to have infringed the patents of third parties in mainland China and the U.S.

During the Track Record Period and up to the Latest Practicable Date, (i) we were not involved in any legal, arbitral or administrative proceedings in respect of, and we had not received notice of any material claims of infringement, misappropriation or other violations of third-party intellectual property; and (ii) we were not involved in any proceedings in respect of any intellectual property rights that may be threatened or pending and that may have an influence on the research and development for any of our drug candidates in which we may be a claimant or a respondent.

OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, Dr. Tian, our founder of the Group, chairman of our Board, chief executive officer, chief scientific officer and executive Director, was able to exercise approximately 33.29% of the voting rights in our Company through: (i) 70,182,990 Shares directly held by him and (ii) an aggregate of 48,356,955 Shares held by our Employee Shareholding Platforms, namely Jiaxing Changxian, Jiaxing Changyu and Halo Investment II. Both Jiaxing Changxian and Jiaxing Changyu are limited partnerships incorporated in the PRC of which their respective executive partners are controlled by Dr. Tian. Halo Investment II is a company limited by shares incorporated in the BVI with Dr. Tian controlling the exercise of its voting rights in the Company. For further details on the Employee Shareholding Platforms, see "History, Development and Corporate Structure — Employee Shareholding Platforms." Immediately upon the completion of the **[REDACTED]** (assuming the **[REDACTED]** is not exercised), Dr. Tian, together with Jiaxing Changxian, Jiaxing Changyu and Halo Investment II, will be entitled to exercise the voting rights of approximately **[REDACTED]**% of the enlarged issued share capital of our Company. Accordingly, Dr. Tian, Jiaxing Changxian, Jiaxing Changyu and Halo Investment II will remain as a group of Controlling Shareholders of our Company after the **[REDACTED]**.

OUR PRE-[REDACTED] INVESTORS

Since the establishment, our Company has undertaken a series of capital increases to raise funds for the development of our business and to bring in new shareholders. The Pre-**[REDACTED]** Investments include: (i) Series Pre-A Financing; (ii) Series A Financing; (iii) Series Pre-B Financing; (iv) Series B Financing; (v) Series B+ Financing; and (vi) Series C Financing and we raised a total of approximately US$215.7 million from the Pre-**[REDACTED]** Investments. Our **[REDACTED]** will be subject to lock-up arrangements at the time of the **[REDACTED]** pursuant to the PRC Company Law. Generally, under these lock-up arrangements, each **[REDACTED]** will not, at any time during the period commencing on the **[REDACTED]** and ending on a date which is 12 months from the **[REDACTED]**, offer, pledge, sell, transfer or otherwise dispose of their Shares. For details, see "History, Development and Corporate Structure — Pre-**[REDACTED]** Investments."

Our **[REDACTED]** consist of private equity funds and private limited liabilities companies, among which some have a specific focus on the healthcare industry. LAV, ZJ Leading VC, Lapam Capital, Shanghai Milestone Asset, LYFE Capital and Greater Bay Area Fund are our Sophisticated Investors pursuant to the Guidance Letter HKEX-GL92-18 issued by the Stock Exchange. For details, see "History, Development and Corporate Structure — Pre-**[REDACTED]** Investments — Information About Our **[REDACTED]**."

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

This summary historical data of financial information set forth below have been derived from, and should be read in conjunction with our consolidated audited financial statements, including the accompanying notes, set forth in the Accountants' Report set out in Appendix IA to this document, as well as the information set forth in the section headed "Financial Information." Our financial information was prepared in accordance with IFRSs.

Summary Data from Consolidated Statements of Profit or Loss

The following table sets forth summary data from our consolidated statements of profit or loss and other comprehensive expenses for the periods indicated.

	For the Year Ended December 31,		For the Four Months Ended April 30,	
	2021	2022	2022	2023
	(in thousands of RMB)			
			(Unaudited)	
Revenue	5,067	538	234	73
Other income	10,381	14,657	2,397	3,062
Other gains and losses, net	(518,347)	(29,436)	(44,771)	(834)
Research and development expenses	(175,954)	(277,346)	(67,257)	(75,001)
Administrative expenses	(48,319)	(92,796)	(27,368)	(28,469)
[REDACTED] expenses	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Finance costs	(891)	(787)	(285)	(253)
Loss before tax	(732,949)	(402,894)	(149,109)	(111,766)
Income tax expense	—	—	—	—
Loss for the year/period	(732,949)	(402,894)	(149,109)	(111,766)

Non-IFRS Measure

To supplement our consolidated statements of profit or loss and other comprehensive expenses which are presented in accordance with IFRSs, we also use adjusted net loss as a non-IFRS measure, which is not required by, or presented in accordance with, IFRSs. We believe that the presentation of the non-IFRS measure when shown in conjunction with the corresponding IFRS measures provides useful information to management and investors in facilitating a comparison of our operating performance from year to year. In particular, the non-IFRS measure eliminates impact of certain expenses, including loss from changes in fair value of financial liabilities at FVTPL (which ceased to be recorded since January 31, 2022), share-based payments and **[REDACTED]** expenses. Such non-IFRS measure allows investors to consider metrics used by our management in evaluating our performance.

We define adjusted net loss (non-IFRS measure) as loss for the year/period adjusted by adding back loss from changes in fair value of financial liabilities at FVTPL, share-based payments and **[REDACTED]** expenses. Loss from changes in fair value of financial liabilities at FVTPL represents the increase in fair value of the equity interests with preferred rights held by our investors, which is non-cash in nature. We no longer recognized such liabilities since January 31, 2022, as our investors' certain preferred rights, including liquidation preferences, redemption rights and anti-dilution rights, were terminated on the same date. Share-based payments are expenses arising from granting restricted shares to selected employees, senior management, directors and consultants, the amount of which is non-cash in nature. **[REDACTED]** expenses are the expenses arising from activities in relation to the proposed **[REDACTED]** and **[REDACTED]**, and are excluded from our net loss.

The use of the non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for, or superior to, analysis of our results of operations or financial condition as reported under IFRSs. In addition, the non-IFRS financial measure may be defined differently from similar terms used by other companies and therefore may not be comparable to similar measures presented by other companies.

	For the Year Ended December 31,		For the Four Months Ended April 30,	
	2021	2022	2022	2023
	(in thousands of RMB)			
			(Unaudited)	
Loss for the year/period	(732,949)	(402,894)	(149,109)	(111,766)
Adjusted for:				
Loss from changes in fair value of financial liabilities at FVTPL	511,517	55,510	55,510	—
Share-based payments	34,017	103,829	28,987	30,097
[REDACTED] expenses	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Adjusted net loss (non-IFRS measure) for the year/period	(182,529)	(225,831)	(52,553)	(71,325)

We currently have no products approved for commercial sale and have not generated any revenue from product sales. We have not been profitable and have incurred operating losses during the Track Record Period. We recognized revenue of RMB5.1 million, RMB0.5 million and RMB73 thousand in 2021, 2022 and the four months ended April 30, 2023, respectively. Our revenue was generated from out-licensing fee received under the technology transfer agreement with an independent third party signed in 2019, sales of cell strain and other products, as well as provision of testing services.

In 2021, 2022 and the four months ended April 30, 2023, we had net loss of RMB732.9 million, RMB402.9 million and RMB111.8 million, respectively. The changes in our net loss mainly resulted from the increases in our research and development expenses and administrative expenses, as well as the recognition of loss from changes in fair value of financial liabilities at FVTPL related to our investors' preferred rights in 2021 and the subsequent derecognition of the same since January 31, 2022. For detailed discussion of the fluctuation of our net loss, see "Financial Information — Description of Selected Components of Consolidated Statements of Profit or Loss and Other Comprehensive Income." Our research and development expenses increased from RMB67.3 million for the four months ended April 30, 2022 to RMB75.0 million for the four months ended April 30, 2023. The increase was mainly attributable to (i) an increase of RMB6.5 million in clinical trial expenses for IMM01, primarily in relation to the initiation of its combination trials with tislelizumab, as well as IMM2520, and (ii) an increase of RMB5.7 million in salaries and related benefit costs, mainly due to the expansion of our clinical team, in line with our continuous research and development efforts in advancing and expanding our pipeline drug candidates; partially offset by a decrease of RMB6.8 million in preclinical and CMC expenses, primarily due to a decrease of testing expenses for IMM2520, IMM40H and IMM47 in preparation for IND application filings. Our research and development expenses increased from RMB176.0 million in 2021 to RMB277.3 million in 2022. The significant increase was mainly attributable to (i) an increase of RMB54.0 million in clinical trial expenses for IMM01, primarily in relation to the initiation of its combination trials with azacitidine and tislelizumab respectively, as well as IMM2902, (ii) an increase of RMB27.0 million in non-cash share-based payments and an increase of RMB22.9 million in salaries and related benefit costs, mainly due to (a) the additional amortization in connection with the restricted shares granted in 2022, and (b) the expansion of our clinical team, and (iii) an increase of RMB3.9 million in preclinical and CMC expenses, primarily due to the increased manufacturing expenses of IMM01 for the use in its combination trials with azacitidine and tislelizumab respectively, as well as IND-enabling expenses

associated with IMM47. Our administrative expenses increased from RMB27.4 million for the four months ended April 30, 2022 to RMB28.5 million for the four months ended April 30, 2023, mainly attributable to (i) an increase of RMB1.2 million in salaries and related benefit costs, mainly due to the headcount expansion and compensation raise of our salaries of administrative functions as a result of our business growth, (ii) an increase of RMB1.2 million in depreciation expenses, which was in line with the increases in our right-of-use assets, property and office equipment; partially offset by a decrease of RMB2.0 million in non-cash share-based payments, resulting from a decrease in the number of restricted shares vested in the four months ended April 30, 2023. Our administrative expenses increased from RMB48.3 million in 2021 to RMB92.8 million in 2022, mainly attributable to (i) an increase of RMB42.8 million in non-cash share-based payments, primarily due to the additional amortization in connection with the restricted shares granted in 2022, and (ii) an increase of RMB7.7 million in salaries and related benefit costs due to the headcount expansion and compensation raise of our management and administrative functions as a result of our business growth. In addition, our adjusted net loss (non-IFRS measure) was RMB182.5 million, RMB225.8 million and RMB71.3 million in 2021, 2022 and the four months ended April 30, 2023, respectively. We define adjusted net loss (non-IFRS measure) as loss for the year/period adjusted by adding back loss from changes in fair value of financial liabilities at FVTPL, share-based payments and **[REDACTED]** expenses.

Summary Data from Consolidated Statements of Financial Position

The following table sets forth summary data from our consolidated statements of financial position as of the dates indicated.

	As of December 31,		As of April 30,
	2021	2022	2023
		(in thousands of RMB)	
Total non-current assets	188,737	188,107	183,898
Total current assets	704,098	651,871	600,635
Total assets	**892,835**	**839,978**	**784,533**
Total current liabilities	2,477,831	51,737	78,855
Net current (liabilities) assets	**(1,773,733)**	**600,134**	**521,780**
Total non-current liabilities	13,443	9,020	8,121
Total liabilities	**2,491,274**	**60,757**	**86,976**
Net (liabilities) assets	**(1,598,439)**	**779,221**	**697,557**

We recorded net current assets of RMB521.8 million as of April 30, 2023 as compared to net current assets of RMB600.1 million as of December 31, 2022. The decrease of net current assets was primarily due to a decrease of RMB76.1 million in bank balances and cash, partially offset by an increase of RMB25.0 million in our financial assets at FVTPL.

We recorded net current assets of RMB600.1 million as of December 31, 2022, as compared to net current liabilities of RMB1,773.7 million as of December 31, 2021. The increase of net current assets was primarily due to a decrease of RMB2,431.6 million in financial liabilities at FVTPL; partially offset by (i) a decrease of RMB33.1 million in bank balances and cash, (ii) a decrease of RMB8.2 million in pledged bank deposits, and (iii) a decrease of RMB10.9 million in prepayments and other receivables

We have terminated our investors' preferred rights and no longer recorded any financial liabilities at FVTPL since January 31, 2022. As a result, we recorded net assets of RMB779.2 million as of December 31, 2022, as compared to net liabilities of RMB1,598.4 million as of December 31, 2021. For further information, see our consolidated statements of changes in equity set forth in the Accountants' Report in Appendix IA to this document.

We recorded net liabilities of RMB1,598.4 million as of December 31, 2021, as compared to net assets of RMB779.2 million as of December 31, 2022. The increase of net assets was primarily due to the reclassification of financial liabilities at FVTPL as equity of RMB2,670.7 million in 2022, partially offset by our loss for the year of RMB402.9 million in 2022.

We recorded net assets of RMB697.6 million as of April 30, 2023, as compared to net assets of RMB779.2 million as of December 31, 2022. The decrease of net assets was primarily due to our loss for the year of RMB111.8 million in the four months ended April 30, 2023, partially offset by our recognition of equity-settled share-based payments of RMB30.1 million in the same period.

Summary Data from Consolidated Cash Flow Statements

Our primary uses of cash are to fund the preclinical and clinical development of our drug candidates, administrative expenses and other recurring expenses. Our net cash used in operating activities was RMB190.5 million, RMB238.7 million and RMB79.2 million in 2021, 2022 and the four months ended April 30, 2023, respectively, primarily due to the significant research and development expenses and administrative expenses we incurred during the Track Record Period without generating any revenue from sales of our drug candidates. Our operating cash flow will continue to be affected by our research and development expenses. During the Track Record Period and up to the Latest Practicable Date, we have primarily funded our working capital requirements through **[REDACTED]** from private equity financings. Our management closely monitors uses of cash and cash balances and strives to maintain a healthy liquidity for our operations. Going forward, we believe our liquidity requirements will be satisfied by a combination of net **[REDACTED]** from the **[REDACTED]**, funds received from potential out-licensing arrangements and cash generated from our operations after the commercialization of our drug candidates. With the continuing expansion of our business, we may require further funding through **[REDACTED]** or private **[REDACTED]**, debt financings, collaboration arrangements or other sources. As of April 30, 2023, our bank balances and cash amounted to RMB559.1 million.

The following table sets forth summary data from our consolidated statements of cash flows for the periods indicated:

	For the Year Ended December 31,		For the Four Months Ended April 30,	
	2021	2022	2022	2023
	(in thousands of RMB)			
			(Unaudited)	
Net cash used in operating activities	(190,541)	(238,710)	(53,019)	(79,242)
Net cash (used in) from investing activities	(108,722)	49	(5,021)	(22,869)
Net cash from financing activities	793,033	179,380	185,245	27,018
Net increase (decrease) in cash and cash equivalents	493,770	(59,281)	127,205	(75,093)
Cash and cash equivalents at beginning of the year/period	183,674	668,326	668,326	635,212
Effect of foreign exchange rate changes, net	(9,118)	26,167	10,769	(1,033)
Cash and cash equivalents at end of the year/period	668,326	635,212	806,300	559,086

The Directors are of the opinion that, taking into account the financial resources available to us, including cash and cash equivalents, internally generated funds, financial assets, the estimated net **[REDACTED]** from the **[REDACTED]** and our cash burn rate, which is the average monthly

cash used in operations plus payments for property, plant and equipment, we have sufficient working capital to cover at least 125% of our costs, including research and development costs, general, administrative and operating costs, for at least the next 12 months from the date of this document.

Our Directors believe that, by taking into account our cash and cash equivalents of RMB559.1 million as of April 30, 2023 and assuming that our cash burn rate going forward will be approximately 1.1 times of the cash burn rate for the year ended December 31, 2022, we can remain financially viable for approximately [34] months from April 30, 2023 if taking into account the estimated RMB**[REDACTED]** of the net **[REDACTED]** from the **[REDACTED]** (based on the **[REDACTED]** of HK$**[REDACTED]** per H Share). We will continue to monitor our cash flows from operations closely and expect to raise our next round of financing, if needed, with a minimum buffer of 12 months.

KEY FINANCIAL RATIOS

The table below sets forth our key financial ratios as of the dates indicated:

	As of December 31,		As of April 30,
	2021	2022	2023
Current ratio[(1)]	0.28	12.60	7.62

Note:

(1) Current ratio represents current assets divided by current liabilities as of the same date.

[REDACTED] STATISTICS

The statistics in the following table are based on the assumptions that **[REDACTED]** H Shares will be **[REDACTED]** pursuant to the **[REDACTED]**, 210,485,039 Unlisted Shares will be converted into H Shares and the **[REDACTED]** is not exercised:

	Based on the [REDACTED] of HK$[REDACTED]
[REDACTED] of our Shares[(1)]	HK$**[REDACTED]** million
[REDACTED] of our H Shares[(2)]	HK$**[REDACTED]** million
Unaudited **[REDACTED]** adjusted consolidated net tangible assets per Share[(3)]	HK$**[REDACTED]**

Notes:

(1) The calculation of **[REDACTED]** is based on **[REDACTED]** Shares expected to be in **[REDACTED]** immediately upon completion of the **[REDACTED]**.

(2) The calculation of the **[REDACTED]** of our H Shares is based on the **[REDACTED]** H Shares, comprising **[REDACTED]** H Shares to be **[REDACTED]** under the **[REDACTED]** and 210,485,039 H Shares to be converted from Unlisted Shares, expected to be in **[REDACTED]** immediately upon completion of the **[REDACTED]**.

(3) The unaudited **[REDACTED]** adjusted consolidated net tangible assets of our Group attributable to owners of our Company per Share is arrived at on the basis that **[REDACTED]** Shares were in **[REDACTED]** assuming that the **[REDACTED]** had been completed on April 30, 2023 and it does not take into account of (i) any Share which may be **[REDACTED]** and **[REDACTED]** upon the exercise of the **[REDACTED]** or (ii) under the general mandates for the **[REDACTED]** and **[REDACTED]** of Shares granted to the directors of our Company.

DIVIDEND

We have never declared or paid any dividends on our ordinary shares or any other securities. We currently intend to retain all available funds and earnings, if any, to fund the development and expansion of our business and we do not intend to declare or pay any dividends in the foreseeable

future. **[REDACTED]** should not **[REDACTED]** our ordinary shares with the expectation of receiving cash dividends. Any future determination to pay dividends will be made at the discretion of our Directors subject to our Articles of Association and the PRC Company Law, and may be based on a number of factors, including our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that our Directors may deem relevant. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. Regulations in the PRC currently permit payment of dividends of a PRC company only out of accumulated distributable after-tax profits as determined in accordance with its articles of association and the accounting standards and regulations in China. As confirmed by our PRC Legal Advisor, according to the PRC law, any future net profit that we make will have to be first applied to make up for our historically accumulated losses, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital. We will therefore only be able to declare dividends after (i) all our historically accumulated losses have been made up for; and (ii) we have allocated sufficient net profit to our statutory common reserve fund as described above.

USE OF [REDACTED]

We estimate that the aggregate net **[REDACTED]** to our Company from the **[REDACTED]** will be approximately HK$**[REDACTED]** million, after deducting **[REDACTED]**, fees and estimated expenses in connection with the **[REDACTED]** paid and payable by us taking into account any additional discretionary incentive fee and assuming that the **[REDACTED]** is not exercised, at the **[REDACTED]** of HK$**[REDACTED]** per H Share. We currently intend to apply such net **[REDACTED]** from the **[REDACTED]** for the following purposes:

(a) approximately **[REDACTED]**%, or HK$**[REDACTED]** million, will be used for ongoing and planned clinical trials, preparation for registration filings, and planned commercial launch of our Core Product, IMM01 (SIRPα-Fc fusion protein), of which

  (i) **[REDACTED]**%, or HK$**[REDACTED]** million, will be used for funding an ongoing Phase II trial and planned pivotal clinical trials for the combination therapy of IMM01 and azacitidine for the treatment of MDS/AML, and CMML in China, the preparation of relevant registration filings and other regulatory matters;

  (ii) **[REDACTED]**%, or HK$**[REDACTED]** million, will be used for funding ongoing and planned clinical trials of the combination therapy of IMM01 and tislelizumab in China, the preparation of relevant registration filings and other regulatory matters;

  (iii) **[REDACTED]**%, or HK$**[REDACTED]** million, will be used for funding the launch and commercialization of IMM01 in combination therapies.

(b) approximately **[REDACTED]**%, or HK$**[REDACTED]** million, will be used for ongoing and planned clinical trials, preparation for registration filings, and planned commercial launch of our Key Products, IMM0306 (CD47×CD20), IMM2902 (CD47×HER2) and IMM2520 (CD47×PD-L1), of which

  (i) approximately **[REDACTED]**%, or HK$**[REDACTED]** million, will be used for ongoing and planned clinical trials of IMM0306 for the treatment of R/R B-NHL in China, the preparation of relevant registration filings, other regulatory matters, and planned commercial launch in China;

  (ii) approximately **[REDACTED]**%, or HK$**[REDACTED]** million, will be used for the ongoing clinical trials of IMM2902 for the treatment of advanced HER2-positive and HER2-low expressing solid tumors in China and the U.S.; and

(iii) approximately **[REDACTED]**%, or HK$**[REDACTED]** million, will be used for planned clinical trials of IMM2520 in China for the treatment of solid tumors, particularly those resistant or not sensitive to the currently available immunotherapies, such as CRC, GC, lung cancer and HNSCC, among others.

(c) approximately **[REDACTED]**%, or HK$**[REDACTED]** million, will be used for the planned clinical trial of IMM47 (CD24 mAb);

(d) approximately **[REDACTED]**%, or HK$**[REDACTED]** million, will be used for the ongoing clinical trials of IMM2510 (VEGF×PD-L1) and IMM27M (CTLA4 ADCC-enhanced mAb);

(e) approximately **[REDACTED]**%, or HK$**[REDACTED]** million, will be used for construction of our new manufacturing facility in Zhangjiang Science City, Shanghai;

(f) approximately **[REDACTED]**%, or HK$**[REDACTED]** million, will be used for our continuous preclinical research and development of multiple preclinical- and discovery-stage assets, including without limitation IMM4701, IMM51, IMM38, IMM2547, IMM50 and IMM62, as well as CMC to support the clinical trials including pivotal trials for various assets; and

(g) approximately **[REDACTED]**%, or HK$**[REDACTED]** million, will be used for working capital and general corporate purposes.

See the section headed "Future Plans and Use of **[REDACTED]** — Use of **[REDACTED]**" for details.

RISK FACTORS

Our operations and the **[REDACTED]** involve certain risks and uncertainties, some of which are beyond our control and may affect your decision to **[REDACTED]** in us and/or the value of your **[REDACTED]**. See the section headed "Risk Factors" for details of our risk factors, which we strongly urge you to read in full before making an **[REDACTED]** in our Shares. Some of the major risks we face include:

- We face substantial competition and our competitors may discover, develop or commercialize competing drugs faster or more successfully than we do. In particular, we face intense competition in the development of CD47-targeting molecules. There are numerous drug developers of CD47-targeted molecules globally. Potential competitors also include academic institutions, government agencies, and other public and private research organizations that conduct research, seek patent protection and establish collaborative arrangements for research, development, manufacturing and commercialization.

- We depend substantially on the success of our clinical-stage and preclinical stage drug candidates. If we are unable to successfully complete development, obtain regulatory approval and commercialize our drug candidates, or if we experience significant delays in doing any of the foregoing, our business, financial condition, results of operations and prospects will be materially harmed.

- If clinical trials of our drug candidates fail to demonstrate safety and efficacy to the satisfaction of regulatory authorities or do not otherwise produce positive results, we may incur additional costs or experience delays in completing, or may ultimately be unable to complete, the development and commercialization of our drug candidates.

- We have no track record with very limited experience in launching and marketing approved drugs, and we may not be able to successfully create or increase market awareness of our drugs or sell our products, which will materially affect our ability to generate sales revenue.

- We have incurred significant net losses since inception. We expect that we will continue to incur net losses for the foreseeable future and we may not be able to generate sufficient revenue to achieve or maintain profitability. **[REDACTED]** are at risk of losing substantially all of their **[REDACTED]** in our H Shares.

- Third parties may initiate legal proceedings alleging that we are infringing, misappropriating or otherwise violating their intellectual property rights, the outcome of which would be uncertain. We are aware of certain issued patents in the U.S. belonging to third parties that may potentially cover our CD47-based drug candidates and may not expire before our anticipated commercial launch of relevant drug candidates in the U.S. Our Core Product IMM01 is one of the CD47-targeted drug candidates which may be subject to potential legal proceedings of patent infringement. For details, please refer to the paragraphs headed "Risk Factors — Key Risks Relating to Our Business, Business Operations, Intellectual Property Rights and Financial Prospects — Third parties may initiate legal proceedings alleging that we are infringing, misappropriating or otherwise violating their intellectual property rights, the outcome of which would be uncertain."

- All material aspects of the research, development, manufacturing and commercialization of our drug candidates are heavily regulated and are subject to change. Any failure to comply with existing regulations and industry standards or any adverse actions by the drug-approval authorities against us could negatively impact our reputation and our business, financial condition, results of operations and prospects.

- We have entered into collaborations with our partners and may form or seek additional collaborations or strategic alliances or enter into licensing arrangements in the future. Please refer to the paragraphs headed "Business — Collaboration Agreement" for further details. We may not realize any or all benefits of such alliances or licensing arrangements, and disputes may arise between us and our collaboration partners.

- No **[REDACTED]** currently exists for our H Shares, and an active **[REDACTED]** for our H Shares may not develop, especially taking into account that certain of our existing shareholders may be subject to a lock-up period.

[REDACTED] EXPENSES

[REDACTED] expenses to be borne by us are estimated to be approximately HK$**[REDACTED]** million (including **[REDACTED]**, at the **[REDACTED]** of HK$**[REDACTED]** per H Share), which represent **[REDACTED]**% of the gross **[REDACTED]** from the **[REDACTED]**, assuming no Shares are **[REDACTED]** pursuant to the **[REDACTED]**. The above **[REDACTED]** expenses are comprised of (i) **[REDACTED]**-related expenses, including **[REDACTED]**, of RMB**[REDACTED]** million, and (ii) non-**[REDACTED]**-related expenses of RMB**[REDACTED]** million, including (a) the legal advisors and the reporting accountants expenses of RMB**[REDACTED]** million, and (b) other fees and expenses, including sponsors fee, of RMB**[REDACTED]** million. In 2021, 2022 and the four months ended April 30, 2023, **[REDACTED]** expenses were RMB**[REDACTED]** million (approximately HK$**[REDACTED]** million), RMB**[REDACTED]** million (approximately HK$**[REDACTED]** million) and RMB**[REDACTED]** million (approximately HK$**[REDACTED]** million), respectively, and the deferred **[REDACTED]** costs were RMB**[REDACTED]** million (approximately HK$**[REDACTED]** million), RMB**[REDACTED]** million (approximately HK$**[REDACTED]** million) and RMB**[REDACTED]** million (approximately HK$**[REDACTED]** million), respectively. We also adjusted RMB**[REDACTED]** million (approximately HK$**[REDACTED]** million) in **[REDACTED]** expenses in the four months ended April 30, 2023 from deferred **[REDACTED]** costs recorded in 2021 and 2022, reflecting a decrease in our **[REDACTED]**

expenses which were deducted from equity as of December 31, 2022. After April 30, 2023, approximately HK$**[REDACTED]** million is expected to be charged to our consolidated statements of profit or loss and other comprehensive expenses and approximately HK$**[REDACTED]** million is expected to be accounted for as a deduction from equity upon the **[REDACTED]**. The **[REDACTED]** expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate. For details on our **[REDACTED]** expenses, see note 11 and note 21 to the Accountants' Report set out in the Appendix IA to this document.

RECENT DEVELOPMENTS

Our recent developments of our drug candidates since the end of the Track Record Period include:

- Following the completion of the Phase Ib trial to evaluate the combination therapy of IMM01 and azacitidine for the treatment of R/R MDS and R/R AML, we have initiated a Phase II trial mainly for the first-line treatment of HR MDS, unfit AML and CMML in June 2022. Interim data as of February 10, 2023 from the Phase Ib/II trial has demonstrated a favorable safety and promising efficacy profile. Neither DLT nor Grade 3 or higher hemolysis was observed among all 12 patients receiving the combination treatment at all three dose levels of IMM01 (1.0 mg/kg, 1.5 mg/kg, and 2.0 mg/kg) in our Phase Ib trial. Moreover, the interim data obtained from our Phase II trial as of February 10, 2023 has demonstrated that: (i) among the eight evaluable patients with 1L CMML, two reached CR (2 CRs), six reached mCR (6 mCRs), and one reached HI (1 HI, which also achieved mCR), resulting in an ORR of 100%, and (ii) among the 16 evaluable HR MDS patients who have received at least three cycles of treatment, three achieved CR (3 CRs), nine achieved mCR (9 mCRs), and seven achieved HI (7 HIs, among which 4 also achieved mCR), resulting in an ORR of 93.8%.

- We have obtained an IND approval of a Phase Ib/II trial to evaluate IMM01 in the combination therapy of IMM01 and tislelizumab in solid tumors, including among others, NSCLC, SCLC, HNSCC, CRC, from the NMPA. We have completed the Phase Ib clinical trial and initiated the Phase II trial in December 2022. In addition, we obtained the NMPA's consent for adding R/R cHL as an additional expansion cohort into this ongoing trial in July 2022, and dosed the first patient with R/R cHL in January 2023.

- We have also observed favorable efficacy and safety data from the ongoing Phase I clinical trial for IMM0306 since January 2022. According to our initial clinical data as of February 27, 2023, IMM0306 was safe and well tolerated up to 2.0 mg/kg. Among the evaluable patients across four cohorts dosed from 0.8 mg/kg to 2.0 mg/kg, who had relapsed or progressed after receiving rituximab previously, two CRs and five PRs were observed. The only evaluable FL patient at 2.0 mg/kg who relapsed and progressed after rituximab treatment has also been confirmed as PR. At 2.0 mg/kg, one patient with primary bone DLBCL who had four lines of prior treatment has achieved PR with all measurable lesions disappeared after 65 days of treatment. All these R/R B-NHL patients have been previously treated with and progressed after rituximab. We commenced a Phase IIa trial for IMM0306 monotherapy for the third- or later-line treatment of FL in March 2023 and plan to seek an accelerated marketing approval through a single-arm trial. Furthermore, our IND application for the combination of IMM0306 and lenalidomide targeting front-line B-NHL was approved by the NMPA in January 2023. We have commenced the Phase Ib/IIa clinical trial for this combination in China, with the first patient dosed in June 2023.

- We have initiated a Phase Ia/Ib trial for IMM2902 in advanced HER2-positive and HER2-low expressing solid tumors, including BC, GC, NSCLC and BTC, in China, and are enrolling the sixth cohort for this dose-escalation study in China. We have also

initiated the clinical trial for advanced HER2-positive and HER2-low expressing solid tumors in the U.S. In July 2022, we received the Fast Track Designation for IMM2902 from the FDA.

- We have obtained IND approvals for IMM2520 from the NMPA in November 2022 and from the FDA in December 2022. We dosed the first patient for the Phase I clinical trial in China in March 2023.

Six Months Ended June 30, 2023 Compared to Six Months Ended June 30, 2022

We have included our unaudited interim financial report prepared in accordance with IAS 34 as of and for the six months ended June 30, 2023 in Appendix IB to this document. Our unaudited condensed consolidated financial statements have been reviewed by our reporting accountants Deloitte Touche Tohmatsu in accordance with Hong Kong Standards on Review Engagements 2410. See "Appendix IB — Unaudited Condensed Consolidated Financial Statements of the Group as of and for the Six Months Ended June 30, 2023" for details. The following is a discussion of fluctuations of selected line items.

We currently have no products approved for commercial sale and have not generated any revenue from product sales. Our revenue remained stable at RMB425 thousand and RMB86 thousand for the six months ended June 30, 2022 and 2023, respectively. In the six months ended June 30, 2022 and 2023, we had total comprehensive expenses of RMB211.7 million and RMB170.7 million, respectively. Our total comprehensive expenses mainly resulted from research and development expenses and administrative expenses. Our research and development expenses increased by 10.1% from RMB116.4 million in the six months ended June 30, 2022 to RMB128.1 million in the six months ended June 30, 2023. Our administrative expenses decreased by 11.7% from RMB46.7 million in the six months ended June 30, 2022 to RMB41.3 million in the six months ended June 30, 2023. Our adjusted net loss (non-IFRS measure) was RMB148.8 million and RMB115.8 million in the six months ended June 30, 2022 and 2023, respectively. See "Financial Information — Recent Developments" for further details.

Expected Net Loss

Since the end of the Track Record Period, our business has continuously grown, but we expect that we will continue to record net loss in 2023, primarily because (i) we expect to incur research and development expenses as we continue to carry out and expand our clinical development programs and advance the research and development of preclinical assets; and (ii) we expect to incur **[REDACTED]** expenses in connection with our proposed **[REDACTED]**.

IMPACT OF THE COVID-19 OUTBREAKS

Since late 2019, COVID-19 has spread rapidly globally. We have employed various measures to mitigate any impact the COVID-19 outbreaks may have on our operations in China and the U.S. and the development of our drug candidates, including offering personal protection equipment such as masks to our employees, regularly checking the body temperature of our employees and closely monitoring their health conditions. After the initial outbreak in late 2019, from time to time, especially since late 2021 and throughout 2022, there had been scattered outbreaks of COVID-19 in multiple regions of China and various control measures were taken to contain the COVID-19 spread. In late 2022, China began to modify its COVID-19 policy, and most of the travel restrictions and quarantine requirements were lifted in December 2022.

The COVID-19 outbreaks since March 2022 in Shanghai and certain other regions in China and the quarantine measures taken to contain the spread did not have material impact on us, primarily because (i) the outbreaks only affected our clinical trial sites in certain regions for a limited period of time, such as Shanghai from March to May 2022, Henan province and Liaoning

province in October 2022, whereas the clinical trial sites located in COVID-19 low-risk areas were not impacted; (ii) during late March to May 2022 when the quarantine measures were in place in Shanghai, we had several essential workers voluntarily stayed at our facilities to ensure the continued research and development and CMC activities, and for the same reason, manufacturing of our product candidates was not interrupted and was able to continuously support our clinical development activities; (iii) we had resumed daily operations since the beginning of June 2022 in a way that our office had reopened, our employees had returned to office, and our research, clinical development and CMC activities were fully recovered; since then and up to the Latest Practicable Date, we had not been subject to further suspension of our daily operations; (iv) for our drug candidates manufactured by CDMOs, we were informed that they were not severely affected by the outbreaks; (v) we had adequate raw materials for the continued manufacturing of our product candidates; and (vi) the construction of our manufacturing facilities was impacted due to the resurgence of COVID-19 in Shanghai; however, as we plan to work with our CMO/CDMO partners and reserve their manufacturing capacities in advance to meet the drug supply demands for pivotal trials and initial product launch of our product candidates, we expect limited impact of such potential delay on our operations and financial performance.

As we experienced temporary delays in subject enrollment and patient engagement activities due to the COVID-19 outbreaks, which reduced the number and availability of patients for a short time period, our operations for clinical trials have experienced slight disruptions and delays. However, our planned schedule of our clinical trials of our drug candidates have not been materially affected by such COVID-19 outbreaks. Considering that we are able to submit our IND applications in an electronic way and maintain open communication channels with the NMPA, the regulatory filings of our drug candidates were not affected by the COVID-19 outbreaks, either. Since December 2022, China has lifted substantially all of its restrictive measures nationwide, and we have resumed the normal operations and have been able to follow our planned schedule for our clinical trials and regulatory communications in China since then. The expected development progress of our drug candidates has taken into account the temporary delays and disruptions on our ongoing clinical trials and manufacturing capabilities caused by the previous COVID-19 outbreaks in China. However, as the COVID-19 outbreaks are with limited precedent, it is not possible to predict the impact on our business or our industry in a precise way.

In view of the above situation, our Directors confirmed that the COVID-19 outbreaks did not have a material adverse impact on our business operations and financial performance as of the Latest Practicable Date, as (i) there had been no material disruption of our ongoing clinical trials or research and development efforts; and (ii) we had not encountered any material supply chain disruption. We cannot foresee whether COVID-19 will have a material and adverse impact on our business going forward. See "Risk Factors — Key Risks Relating to Our Business, Business Operations, Intellectual Property Rights and Financial Prospects — The COVID-19 pandemic could adversely impact our business, including our clinical trials." We will closely monitor and evaluate any impact of such outbreak on us and adjust our precautionary measures according to its developments. We will also continue to monitor the COVID-19 situation as well as various regulatory and administrative measures adopted by local governments to prevent and control the outbreak.

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that, as of the date of this document, there has been no material adverse change in our financial or trading position, indebtedness, contingent liabilities or prospects of our Group since April 30, 2023, the end of the period reported in the accountants' report set out in Appendix IA to this document, and up to the date of this document, and there is no event since April 30, 2023 and up to the date of this document that would materially affect the information contained in the accountants' report set out in Appendix IA to this document.