GENOR BIOPHARMA HOLDINGS LIMITED
嘉和生物藥業(開曼)控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6998)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2023 AND PROPOSED ADOPTION OF THE EIGHTH AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

The board (the "**Board**") of directors (the "**Directors**") of Genor Biopharma Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") is pleased to announce the audited consolidated results of the Group for the year ended 31 December 2023 (the "**Reporting Period**"), together with the comparative figures for the year ended 31 December 2022. The consolidated financial statements of the Group for the Reporting Period have been reviewed by the Audit Committee of the Company. The related consolidated financial statements for the year ended 31 December 2023 have been audited by the Company's auditor, PricewaterhouseCoopers.

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

FINANCIAL HIGHLIGHTS

- **Total revenue** was nil for the Reporting Period, as compared with approximately RMB15.9 million for the year ended 31 December 2022.
- **Research and development expenses** were approximately RMB564.3 million for the Reporting Period, as compared with approximately RMB583.9 million for the year ended 31 December 2022. The spending was mainly attributable to (i) our new drugs development fee and ongoing clinical trials expenses; (ii) our employee salary and related benefit costs and (iii) raw material and consumables used.
- **Total comprehensive loss** was approximately RMB676.0 million for the Reporting Period, as compared with approximately RMB731.8 million for the year ended 31 December 2022. The decrease was primarily due to the decrease in expenses.
- Under **Non-HKFRS measures**, our adjusted loss(1) was RMB614.3 million for the Reporting Period, as compared with approximately RMB682.2 million for the year ended 31 December 2022.

(1) Adjusted loss is calculated as loss for the years of 2023 and 2022 excluding share-based payment expenses. For details of the reconciliation of the loss for the Reporting Period to the adjusted loss of the Group, please refer to the section headed "Financial Review" in this announcement.

BUSINESS HIGHLIGHTS

During the Reporting Period, we have continued to make remarkable progress in the development of our drug candidates in pipeline and business operations. The major milestones for our pipeline products and corporate achievements are as follows:

Updates on Pipeline

GB491 (Lerociclib) – a differential oral CDK4/6 inhibitor which is developed for breast cancer patients with better safety and excellent efficacy

- On 28 March 2023, the NMPA has officially accepted the NDA for GB491 (Lerociclib) in combination with Fluvestran as the treatment of HR+/HER2 – locally advanced or metastatic breast cancer patients with disease progression following previous endocrine therapy. Clinical on-site inspection was completed successfully in the second half of the year of 2023.

- GB491 (Lerociclib) has garnered international recognition at the 2023 ASCO annual meeting, which was successfully held in Chicago from 2 June to 6 June 2023:

    - the research results of the LEONARDA-1 study were announced in the poster discussion session of the Metastatic Breast Cancer session with the title "Phase III randomized study of lerociclib plus fulvestrant in patients with HR+/HER2 – locally advanced or metastatic breast cancer that has progressed on prior endocrine therapy";

    - the data from the Phase III clinical study of LEONARDA-1 were selected by ASCO for the ASCO Daily Release, which was published in the ASCO Daily News Column on its website on 25 May 2023 (EST) with the title "Lerociclib/Fulvestrant May Reduce Risk of Disease Progression in Advanced HR-Positive/HER2-Negative Breast Cancer";

    - the LEONARDA-1 research report and article cited the views of the lead author Prof. Binghe Xu, MD, PhD, the academician of the Chinese Academy of Engineering, the Head of Medical Oncology at Cancer Hospital affiliated with Chinese Academy of Medical Sciences;

    - according to the efficacy and safety data demonstrated in the LEONARDA-1 research, GB491 (Lerociclib) has demonstrated superior efficacy, better safety and tolerability profile to patients with HR+/HER2 – advanced breast cancer for whom prior endocrine therapy failed, providing a more reliable clinical option. It could become a preferred option among CDK4/6 inhibitors for refractory patients and patients with suboptimal recovery of myelosuppression after chemotherapy and suboptimal gastrointestinal/hepatic function or patients with poor tolerability.

- Phase III clinical trial for the first line treatment of advanced breast cancer indication of GB491 (Lerociclib) has completed patient enrolment. The efficacy data analysis reached the primary endpoint.

GB261 (CD20/CD3, BsAb) – potential BIC CD20/CD3 bi-specific antibodies

- Multiple GB261 (CD20/CD3, BsAb) phase I/II clinical study centers have been activated in Australia and China. We have obtained the preliminary clinical Proof of Concept ("**POC**") data in the first-in-human ("**FIH**") clinical trial of GB261 (CD20/CD3, BsAb) in Australia in 3mg dose-escalation cohort, which were consistent with the molecular design mechanism of GB261 (CD20/CD3, BsAb), indicating a good safety, pharmacokinetic profile and clinical antitumor activities.

- As at October 2023, the dose-escalation was completed in the phase I/II clinical trial, which demonstrated promising efficacy and a favorable safety profile. The anti-tumor activities were also seen in patients who have failed prior CD20/CD3 (mosunetuzumab), CAR-T, and CD3/CD19 therapies.

- At the annual meeting of the 65th American Society of Hematology (ASH) held from 9 to 12 December 2023, the Group presented the preliminary clinical safety and efficacy results of the phase I/II study of GB261 (CD20/CD3, BsAb) led by Beijing Cancer Hospital in the poster session.

    - GB261, a CD20/CD3, BsAb that has Fc functions and affinity adjustment to CD3, demonstrated a highly advantageous safety/efficacy balance in the FIH study in patients with relapsed/refractory non-Hodgkin B-cell Lymphoma (Poster Number: 1719)

    - Preliminary clinical data showed favourable tolerability: All cases of Cytokine Release Syndrome ("**CRS**") were grade 1 (8.5%, 4/47) or 2 (4.3%, 2/47), no grade 3 (Lee et al., ASTCT criteria), no interruptions of treatment, and no administration of Tocilizumab. The median duration of CRS was 7 hours. No Immune effector cell-associated neurotoxicity syndrome ("**ICANS**") was reported.

    - Pharmacokinetics ("**PK**"): long half-life, supports tri-weekly dosing. Effective half-life appeared to be 2-3 weeks which supports every 3-4 weeks dosing.

    - The clinical trial conclusion is that in heavily pretreated B-NHL patients, GB261 (CD20/CD3, BsAb) showed a highly advantageous safety/efficacy balance. The safety profile is excellent especially for the CRS which is very mild, transient and less frequent compare with other GB261 (CD20/CD3, BsAb) bispecific antibodies. The response after GB261 (CD20/CD3, BsAb) treatment was early, deep and durable. Additionally, clinical benefit seen in other GB261 (CD20/CD3, BsAb) bispecific antibody failed patients provides clinical support to the unique and differentiated mechanism of action of GB261 (CD20/CD3, BsAb).

GB263T (EGFR/cMET/cMET, TsAb)

- As at August 2023, the dose-escalation of 1,680 mg was completed in the phase I/II clinical trial and radiological responses were observed.

- In pre-clinical studies, GB263T (EGFR/cMET/cMET, TsAb) effectively thwarted ligand-induced phosphorylation of EGFR and c-MET compared to its Amivantamab (JNJ-372) analogue, and demonstrated better dual inhibition of EGFR and cMET signaling pathways. Meanwhile, GB263T (EGFR/cMET/cMET, TsAb) effectively induced the endocytosis of EGFR and cMET, and significantly reduced the protein expression levels of EGFR and cMET. GB263T (EGFR/cMET/cMET, TsAb) played a significant dosage-dependent role in tumor suppression in several different tumor models including EGFR exon 20 insertions, EGFR exon 19 deletions, C797S mutations and various cMET expression abnormalities. In toxicology studies in cynomolgus monkeys, no significant toxic side effects were observed after 4 weeks of observation, even in the highly-dosed group.

- On 1 December 2023, the Group published preliminary dose escalation results from a phase I/II study of GB263T, a novel EGFR/cMET/cMET TsAb, on Molecular Cancer Therapeutics of the AACR journal.

    - Dose-escalation results from a FIH, phase I/II study of GB263T, a novel EGFR/cMET/cMET TsAb, in patients with advanced EGFR-mutated (EGFRm) non-small cell lung cancer (NSCLC) (Abstract Number C114).

    - Results to date demonstrate a good safety profile of GB263T (EGFR/cMET/cMET, TsAb) with promising efficacy at the therapeutic dose range (1,260-1,680 mg).

    - Preliminary clinical data demonstrated good safety and tolerability, with an infusion reaction rate (IRR) of 35.7%, significantly lower than that of the compound in the same class (66%), and were mild with only graded 1/2. No MET target-related peripheral edema was reported.

Research and Development of the Global Innovative New Drugs

- The Company's R&D team focused on developing targeted antibodies and projects with FIC potential.

- From 1 to 5 November 2023, the Company participated in the 38th Annual Meeting of The SITC, 2023, and shared research data of two innovative drug molecules in the poster discussion session:

    - GBD201 (CCR8/CTLA-4, BsAb) (Abstract Number: 491):

      GBD201 is a bispecific antibody targeting CCR8/CTLA-4 developed independently by the Company. This bispecific antibody is equipped with a unique molecular design and highly-differentiate functions to maximally reduce the potential toxicity caused by CTLA4 inhibition (such as ipilimumab or tremelimumab).

    - GBD209 (PD-1/CTLA-4/TIGIT, TsAb) (Abstract Number: 492):

      GBD209 is the first tri-specific antibody independently developed by the Company targeting these three immune checkpoints. By simultaneously blocking the PD-1/CTLA-4/TIGIT inhibitory pathways on T cells, it better relieves immune suppression on T effector cells and produces better anti-tumor synergistic effects.

- As at 31 December 2023,
  - Five PCC molecules have been developed, all of which are the FIC/BIC bi-specific/multi-specific antibody projects.
  - Abstracts of two of TsAb projects have been accepted for publication at the 2024 Annual Meeting of the AACR; and
  - GB268 (TsAb) has entered the IND enabling stage.

Strategic Cooperation and Commercialization

- During the Reporting Period, Jiayoujian 佳佑健® (GB242, Infliximab) has been made available for online procurement in 26 provinces and cities across China.

Drive continuous optimization of Chemistry, Manufacturing and Controls (CMC) quality and efficiency

- During the Reporting Period, the Company continued to promote efficient innovation and development in technology, research and development, processes, management and other areas.
- In addition to solving the industry pain points such as low heterologous pairing rate, high polymer content, removal of homodimer impurities, unstable intermediates, difficulty in activity analysis methods and difficulty in the development of formulations, especially high-concentration formulations, the CMC team of the Company also demonstrated industry-leading strength and rapid execution in the process technology development of GB261 (CD20/CD3, BsAb), GB263T (EGFR/cMET/cMET, TsAb), GB268 (TsAb) and other products.

RECENT DEVELOPMENT AFTER THE REPORTING PERIOD

We continued to make significant progress in our drug pipeline and business operations after the Reporting Period, including the following major milestones and achievements:

- The efficacy data analysis of the phase III clinical study of GB491 (Lerociclib) in first line treatment for advanced patients has reached the primary end, and the Company submitted the new drug application ("**NDA**") to the China National Medical Products Administration ("**NMPA**") officially on 28 February 2024. The NMPA has officially accepted the application on 13 March 2024.
- On 19 January 2024, the Company entered into an antibody molecules and technology transfer agreement with Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd ("**Zhongmei Huadong**"), under which an antibody drug and the related IP rights of the Company were transferred to Zhongmei Huadong.

OUR MISSION

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

OVERVIEW

Founded in 2007, the Group has operated for over 15 years. The Group has been striving to "provide innovative therapeutics initially for patients in China and gradually for patients globally".

In 2023, the Group has adhered to the development strategy of "focus, optimization, acceleration, expansion", and run its business with high efficiency, created opportunities and sought for room of development amid the complicated and extremely challenging economic environment.

During the Reporting Period, the Group's core products such as GB491 (Lerociclib), GB261 (CD20/CD3, BsAb) and GB263T (EGFR/cMET/cMET, TsAb) and early-stage developing pipeline products have been exhibited at global industry conferences for several times and have been highly recognised internationally, demonstrating the Group's progress in the pipeline products and early research.

- The research results of the GB491 (Lerociclib) LEONARDA-1 have been presented in the poster discussion session of the Metastatic Breast Cancer session at the 2023 American Society of Clinical Oncology ("**ASCO**"). The relevant information of LEONARDA-1 was also selected by ASCO for the ASCO Daily Release, which fully demonstrated the differentiated advantages in terms of efficacy and safety of GB491 (Lerociclib).

- At the annual meeting of the 65th American Society of Hematology (ASH) held from 9 to 12 December 2023, the Group presented the preliminary clinical safety and efficacy results of phase I/II study of GB261 (CD20/CD3, BsAb) led by Beijing Cancer Hospital in the poster discussion session.

- On 1 December 2023, the Group published preliminary dose escalation results from a phase I/II study of GB263T, the first EGFR/cMET/cMET trispecific antibody, on Molecular Cancer Therapeutics on American Association of Cancer Research ("**AACR**") journal.

- From 1 to 5 November 2023, the Company also participated at the 38th Annual Meeting of The Society for Immunotherapy of Cancer ("**SITC**") in 2023, and shared research data of two innovative drug molecules in the poster discussion session.

On 28 March 2023, the NMPA officially accepted the NDA for GB491 (Lerociclib), the Group's core product, in combination with Fluvestran as the treatment of HR+/HER2 – locally advanced or metastatic breast cancer patients with disease progression following previous endocrine therapy. As at the date of this announcement, the relevant clinical on-site inspection has been completed.

In addition, the efficacy data analysis of phase III clinical trial for the first line advanced breast cancer of Lerociclib (GB491) has reached the primary endpoint. The Company submitted the NDA to the NMPA officially on 28 February 2024. The NMPA has officially accepted the application on 13 March 2024.

In terms of the highly differentiated bi-specific/multi-specific antibody products, phase I/II clinical trial of the Group's GB261 (CD20/CD3, BsAb) and GB263T (EGFR/cMET/cMET, TsAb) have completed dose escalation. Not only are we achieving faster progress than our peers, but we are also validating the highly differentiated advantages of these two products.

During the Reporting Period, the Group has carried out further optimization and suspension of the production and operation in our plant at Yuxi, Yunan. In terms of early-stage research and development, the Group focused on molecules with potential to be the global first-in-class ("**FIC**") and best-in-class ("**BIC**") products featuring with the best potential to become clinically beneficial and commercially viable drugs. Currently, five preclinical candidate compounds ("**PCC**") molecules have been developed, all of which are the FIC/BIC bi-specific/multi-specific antibody projects. Abstracts of two of tri-specific antibody molecules have been accepted for publication at the 2024 Annual Meeting of the AACR, and one project has entered the investigational new drug ("**IND**") enabling stage.

Through paralleled efforts in origin innovation and strategic cooperation, the Company is committed to developing its global innovation and actively expanding external cooperation in various aspects such as early-stage research and development and commercialisation. Recently, the Group has entered into a technology transfer agreement with Zhongmei Huadong, under which an antibody drug and related IP rights of the Group were transferred to Zhongmei Huadong.

The Shareholders possess abundant resources and industry expertise, including global and Chinese biotechnology-focused specialist funds and biopharma platforms experienced in supporting and developing biopharmaceutical companies. The core management team members of the Group have more than 20 years of industry experience on average with a proven track record and a well-balanced combination of expertise spanning research and discovery, clinical development, manufacturing, registration affairs and financing.

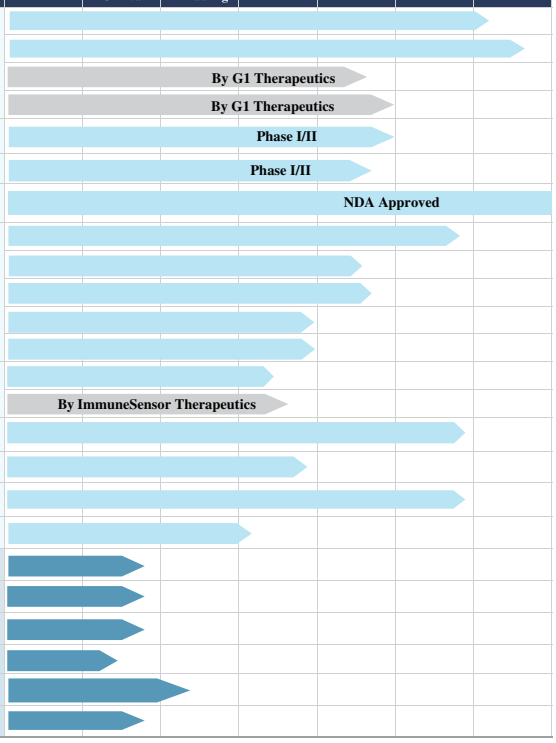
With a clear objective and strategy, the passion and motivation to tackle difficulties and its profound expertise accumulated, the Company has achieved rapid progress in key projects during the Reporting Period, which not only allowed it to become an industry leader in many areas, but also laid a solid foundation for the consequent achievements.

THE GROUP'S DRUG CANDIDATES

As at the date of this announcement, the Group has built up rich innovative drug product pipelines. Relying on the highly specialised departments and the close collaboration between different departments, the Company has accelerated the application for clinical trials of pipeline innovative drugs and rapidly advances clinical progress, including focusing on Chinese and Asia Pacific products.

The following chart shows our robust pipeline of drug candidates that are currently under development in China and worldwide across various therapeutic areas and the development status of antibody drug candidates in clinical stage as at the date of this announcement:

Product	Target/MoA (reference drug)	Indication	Classification	Commercial Rights	Discovery	Pre-Clinical	IND Enabling	Phase I	Phase II	Phase III	NDA
GB491 (Lerociclib)	CDK4/6+AI (combo w/ letrozole)	1L HR+/HER2-BC	Novel (In-license)	APAC, ex-JP (1)							
	CDK4/6+SERD (combo w/ fulvestrant)	2L HR+/HER2-BC									
	CDK4/6+EGFR (combo w/ osimertinib)	EGFR-Mutant NSCLC									
GB261	CD20×CD3	NHL	Novel (In-house)	Worldwide							
GB263T	EGFRxc-Metxc-Met	NSCLC	Novel (In-house)	Worldwide							
GB242 (Infliximab)	TNF-α	RA, AS, Ps, CD, UC	Biosimilar (In-house)	Worldwide							
GB226 (Geptanolimab)	PD-1	2L+ Cervical Cancer	Novel (In-license)	China							
		ASPS									
		r/r PMBCL									
	PD-1+VEGFR (combo w/ fruquintinib)	2L/3L+ EGFR+ NSCLC									
		2L+ mCRC									
GB492 (IMSA101)	PD-1 (combo w/ GB226^)+STING	Solid Tumours	Novel (In-license)	APAC ex-JP (2)							
GB221 (Coprelotamab)	HER2	HER2+ 1L/2L+ mBC	Novel (In-house)	Worldwide							
GB223	RANKL	GCTB, PMO	Novel (Co-develop)	Worldwide							
GB241 (Rituximab)	CD20 (rituximab)	1L DLBCL	Biosimilar (In-house)	Co-development							
GB251	HER2 ADC	HER2+ 1L/2L+ mBC	Novel (Co-develop)	Worldwide							
GB262	PD-L1×CD55	Cancers	Novel (In-house)	Worldwide							
GB264	Claudin 18.2×CD3	GI Cancers	Novel (In-house)	Worldwide							
GB266	PD-L1xL.AG3xLAG3	Cancers	Novel (In-house)	Worldwide							
GB267	Undisclosed	Cancers	Novel (In-house)	Worldwide							
GB268	Undisclosed	Cancers	Novel (In-house)	Worldwide							
***	Undisclosed	Cancers	Novel (In-house)	Worldwide							



Notes:

(1) Clinical trials are sponsored by G1 Therapeutics, Inc (NASDAQ: GTHX) ("**G1 Therapeutics**").
(2) Clinical trial is sponsored by ImmuneSensor Therapeutics.
* five undisclosed candidate molecules in discovery stage

BUSINESS REVIEW

During the Reporting Period, we have continued to make remarkable progress in the development of our drug candidates in pipeline and business operations, including the following major milestones for our pipeline products and corporate achievements:

1. Events during the Reporting Period

Accelerated Registration and Clinical Trials

During the Reporting Period, the Company has achieved rapid application, approval and promotion of clinical trials of product pipelines in China and Australia, which were attributable to the high specialization of and close cooperation across departments:

- Based on in-depth perception of product science, mechanisms and features, the Group has developed its registration and clinical development strategies. The Group has continuously enhanced communication with industry leaders in relevant treatment fields, drug regulatory authorities, drug review agencies, and clinical research centers.

- Relying on plentiful experience and extensive resources, efficient, quality and speedy accomplishment was achieved in the layout and establishment of the research centre, project initiating and management, selection and enrolment of, and the entering of agreements with patients and subjects.

During the Reporting Period, the NDA of GB491 (Lerociclib) has been quickly accepted by NMPA.

During the Reporting Period, we have continued our efforts in promoting the clinical pipelines development and achieved milestones as follows:

1) Phase III clinical trials for first line of GB491 (Lerociclib) have completed patient enrolment on 6 January 2023. The efficacy data analysis reached the primary endpoint.

2) The dose-escalation was completed in the phase I/II clinical trial of GB261(CD20/CD3, BsAb), which demonstrated promising efficacy and a favorable safety profile.

3) The dose-escalation of 1680mg was completed in the phase I/II clinical trial of GB263T(EGFR/cMET/cMET, TsAb) and radiological responses were observed.

GB491 (Lerociclib) – a differentiated oral CDK4/6 inhibitor which is developed for breast cancer patients with better safety and excellent efficacy

GB491 (Lerociclib), is a novel, potent, selective oral bioavailable CDK4/6 inhibitor co-developed by the Group and G1 Therapeutics, for use in combination with endocrine therapy in advanced breast cancer.

Patient enrolment of the Phase III trials for both first and second line has been completed quickly via adaptive and seamless experiment design, scientific reference and data bridging, seamless registration strategy, and excellent execution.

On 28 March 2023, the NMPA has officially accepted the NDA for GB491 (Lerociclib) in combination with Fluvestran as the treatment of HR+/HER2 – locally advanced or metastatic breast cancer patients with disease progression following previous endocrine therapy. Clinical on-site inspection was completed successfully in the second half of the year of 2023.

GB491 (Lerociclib) has garnered international recognition at the 2023 ASCO annual meeting, which was successfully held in Chicago from 2 June to 6 June 2023:

- the research results of the LEONARDA-1 study were announced in the poster discussion session of the Metastatic Breast Cancer session with the title "Phase III randomized study of lerociclib plus fulvestrant in patients with HR+/HER2 – locally advanced or metastatic breast cancer that has progressed on prior endocrine therapy";

- the data from the Phase III clinical study of LEONARDA-1 were selected by ASCO for the ASCO Daily Release, which was published in the ASCO Daily News Column on its website on 25 May (EST) with the title "Lerociclib/Fulvestrant May Reduce Risk of Disease Progression in Advanced HR-Positive/HER2-Negative Breast Cancer";

- the LEONARDA-1 research report and article cited the views of the lead author Prof. Binghe Xu, MD, PhD, the academician of the Chinese Academy of Engineering, the Head of Medical Oncology at Cancer Hospital affiliated with Chinese Academy of Medical Sciences;

- according to the efficacy and safety data demonstrated in the LEONARDA-1 research, GB491 (Lerociclib) has demonstrated superior efficacy, better safety and tolerability profile to patients with HR+/HER2 – advanced breast cancer for whom prior endocrine therapy failed, providing a more reliable clinical option. It could become a preferred option among CDK4/6 inhibitors for refractory patients and patients with suboptimal recovery of myelosuppression after chemotherapy and suboptimal gastrointestinal/hepatic function or patients with poor tolerability.

GB491 (Lerociclib) will create a new landscape for the treatment of HR+/HER2-advanced breast cancer:

- HR+/HER2 – is the most common subtype of advanced breast cancer, and its treatment has entered the era of targeted therapy. Combination therapy with CDK4/6 inhibitors has been recommended in multiple guidelines as the preferred regimen for patients with advanced breast cancer following previous failed endocrine therapy.

- The innovative molecular structure with its unique pharmacokinetics/pharmacodynamics ("**PK/PD**") has allowed for continuous oral administration of Lerociclib without the need for treatment breaks. It has achieved sustained target inhibition and antitumor effects while significantly reducing the common adverse effects of CDK4/6 inhibitors, such as severe myelosuppression and diarrhea.

- The LEONARDA-1 clinical study demonstrated that the combination therapy of Lerociclib with Fluvestran significantly reduced the risk of disease progression and death as compared to Fluvestran as a monotherapy. The investigator-assessed hazard-ratio ("**HR**") was 0.451 and the Blinded Independent Central Review (BICR) ("**BICR**")-assessed HR was 0.353. The median progression-free survival ("**mPFS**") (months) assessed by the investigator and BICR were 11.07 vs. 5.49 and 11.93 vs. 5.75, respectively. Furthermore, the results of all predefined subgroups were consistent with the overall efficacy.

- The LEONARDA-1 clinical study showed that, in comparison with other marketed CDK4/6 inhibitors, Lerociclib demonstrated significant comprehensive advantages in terms of safety and tolerability profile with a low incidence rate of diarrhea at 19.7% (only grade 1/2), a relatively low percentage of grade 3/4 myelosuppression, and only a 5.1% incidence rate of grade 4 neutropenia.

- LEONARDA-1 has enrolled a high proportion of patients with poor prognosis, including patients with liver metastasis, treated with primary resistance, with 4 or more metastatic sites, received first-line chemotherapy at the advanced stage. The use of Lerociclib substantially improved the progression free survival ("**PFS**") of the patients with poor prognosis, indicating a superior efficacy with advantages in terms of safety and tolerance profile and hence fully demonstrating the differentiation advantage of Lerociclib for clinical purposes.

- Phase III clinical trial for the first line treatment of advanced breast cancer indication of GB491 (Lerociclib) has completed patient enrolment. The efficacy data analysis has reached the primary endpoint.

- The Group has officially submitted the NDA to the NMPA for the first line breast cancer indication of GB491 (Lerociclib) on 28 February 2024. The NMPA has officially accepted the application on 13 March 2024.

Currently, the Company is moving forward with commercial cooperation in respect of GB491 (Lerociclib).

The transfer of technology for local manufacture of GB491 (Lerociclib) has also been initiated.

GB261 (CD20/CD3, BsAb) – potential BIC CD20/CD3 bi-specific antibodies

GB261 (CD20/CD3, BsAb) is the first T-cell engager with low affinity to bind CD3 and has Fc functions (ADCC and CDC). GB261 (CD20/CD3, BsAb) significantly inhibits rituximab-resistant cancer cell proliferation in both in vitro assays and in vivo models; meanwhile with T-cell activation, GB261 (CD20/CD3, BsAb) induces less cytokine release compared with compound in the same class. Thus, GB261 (CD20/CD3, BsAb) is a highly potent bispecific therapeutic antibody for B cell malignancies. It has potential to be a better and safer T-cell engager with competitive advantages over other CD3/CD20 agents.

Multiple GB261 (CD20/CD3, BsAb) phase I/II clinical study centers have been activated in Australia and China. We have obtained the preliminary clinical Proof of Concept ("**POC**") data in the first-in-human ("**FIH**") clinical trial of GB261 (CD20/CD3, BsAb) in Australia in 3mg dose-escalation cohort, indicating a good safety, pharmacokinetic profile and clinical antitumor activities.

As at October 2023, the dose-escalation was completed in the phase I/II clinical trial of GB261 (CD20/CD3, BsAb), which demonstrated promising efficacy and a favorable safety profile. The anti-tumor activities were also seen in patients who have failed prior CD20/CD3 (mosunetuzumab), CAR-T, and CD3/CD19 therapies.

At the annual meeting of the 65th American Society of Hematology (ASH) held from 9 to 12 December 2023, the Group presented the preliminary clinical safety and efficacy results of the phase I/II study of GB261 (CD20/CD3, BsAb) led by Beijing Cancer Hospital in the poster session.

- GB261, a CD20/CD3, BsAb that has Fc functions and affinity adjustment to CD3, demonstrated a highly advantageous safety/efficacy balance in the FIH study in patients with relapsed/refractory non-Hodgkin B-cell Lymphoma (Poster Number: 1719).

- As at 17 June 2023, 47 r/r B-NHL patients (DLBCL: 76.6%; FL: 23.4%) were enrolled at flat or step-up doses of GB261 (CD20/CD3, BsAb) ranging from 1mg to 300mg.

- In efficacy evaluable patients (n=22) from 3mg to 100mg, the overall response rate ("**ORR**") was 73% (16/22), and complete response rate ("**CRR**") was 45.5% (10/22).

- Preliminary clinical data showed favourable tolerability: In safety evaluable patients (n=47), Cytokine Release Syndrome ("**CRS**") occurred in 12.8% (6/47) patients, was mild and transient. CRS in 100mg was also less frequent, which was 14.3% (2/14). All cases of CRS were grade 1 (8.5%, 4/47) or 2 (4.3%, 2/47), no grade 3 (Lee et al., ASTCT criteria), no interruptions of treatment, and no administration of Tocilizumab. The median duration of CRS was 7 hours. No Immune effector cell-associated neurotoxicity syndrome ("**ICANS**") were reported.

- Pharmacokinetics ("**PK**"): long half-life, supports tri-weekly dosing. The PK profile of GB261 (CD20/CD3, BsAb) appeared to be linear across dose ranges tested (1mg-100mg). Effective half-life appeared to be 2-3 weeks which supports every 3-4 weeks dosing.

- The clinical trial concluded that in heavily pretreated B-NHL patients, GB261 (CD20/CD3, BsAb) showed a highly advantageous safety/efficacy balance. The safety profile is excellent especially for the CRS which is very mild, transient and less frequent compare with other CD20/CD3 bispecific antibodies. The response after GB261 (CD20/CD3, BsAb) treatment was early, deep and durable. Additionally, clinical benefit seen in other CD20/CD3 bispecific antibody failed patients provides clinical support to the unique and differentiated mechanism of action of GB261 (CD20/CD3, BsAb).

Currently, the Company is actively pushing forward the negotiation with global clinical development/commercialisation partners in respect of GB261 (CD20/CD3, BsAb). As at 31 December 2023, it has primarily approached more than ten companies and engaged in multiple rounds of in-depth exchanges with various companies. It plans to enter into cooperation agreements in 2024.

GB263T (EGFR/cMET/cMET, TsAb)

GB263T (EGFR/cMET/cMET, TsAb) is the first tri-specific antibody of EGFR/cMET/cMET in the world, targeting EGFR and two different epitopes of cMET, therefore, to enhance its safety and efficacy. With highly differentiated design, GB263T (EGFR/cMET/cMET, TsAb) exhibits multiple mechanisms of action to inhibit primary and secondary EGFR mutations and cMET signaling pathway simultaneously.

In pre-clinical studies, GB263T (EGFR/cMET/cMET, TsAb) effectively thwarted ligand-induced phosphorylation of EGFR and c-MET compared to its Amivantamab (JNJ-372) analogue, and demonstrated better dual inhibition of EGFR and cMET signaling pathways. Meanwhile, GB263T (EGFR/cMET/cMET, TsAb) effectively induced the endocytosis of EGFR and cMET, and significantly reduced the protein expression levels of EGFR and cMET. GB263T (EGFR/cMET/cMET, TsAb) played a significant dosage-dependent role in tumor suppression in several different tumor models including EGFR exon 20 insertions, EGFR exon 19 deletions, C797S mutations and various cMET expression abnormalities. In toxicology studies in cynomolgus monkeys, no significant toxic side effects were observed after 4 weeks of observation, even in the highly-dosed group.

As at August 2023, the dose-escalation of 1680mg was completed in the phase I/II clinical trial of GB263T (EGFR/cMET/cMET, TsAb). Radiological responses were observed in the 1,260mg and 1,680mg dose groups.

On 1 December 2023, the Group published preliminary dose escalation results from a phase I/II study of GB263T, a novel EGFR/cMET/cMET TsAb, on Molecular Cancer Therapeutics of the AACR journal:

- Dose-escalation results from a FIH, phase I/II study of GB263T in patients with advanced EGFR-mutated (EGFRm) non-small cell lung cancer (NSCLC) (Abstract Number C114).

- Results to date demonstrate a good safety profile of GB263T with promising efficacy at the therapeutic dose range (1,260-1,680 mg).

- Preliminary clinical data demonstrated good safety and tolerability, with an infusion reaction rate ("**IRR**") of 35.7%, significantly lower than that of the compound in the same class (66%), and were mild with only graded 1/2. No MET target-related peripheral edema was reported.

- As at 5 July 2023, 13 patients were treated: 140 mg (n=1), 420 mg (n=1), 840 mg (n=3), 1,260 mg (n=3), 1,680 mg (n=5). The enrolment of the 1,680 mg cohort is ongoing. All patients had received previous third-generation EGFR-TKI and platinum-based chemotherapy. Median number of prior lines of systemic therapy was 3 (range 1-7). One patient at 1,680 mg of GB263T (EGFR/cMET/cMET, TsAb) experienced dose-limiting toxicity (DLT) (grade 3 oral mucositis, which has resolved after symptomatic treatment). The most common treatment-related adverse events ("**TRAEs**") were rash (61.5%), IRR (38.5%), fatigue (30.8%) and myalgia (23.1%), and all are mild (grade 1/2). Only one patient developed ≥ grade 3 TRAE (grade 3 oral mucositis). There were no treatment-related discontinuations. Among 10 response-evaluable patients, two achieved partial response ("**PR**") and four achieved stable disease ("**SD**") with tumor shrinkage observed in 3/4 SD patients. The disease control rate (DCR) is 60%. The objective response rate ("**ORR**") at the therapeutic dose range (1,260-1,680 mg) is 40% (2/5). Two PR patients and two SD patients remained on treatment at data cutoff.

Research and Development of the Global Innovative New Drugs

The Company's R&D team focused on developing targeted antibodies and projects with FIC potential.

From 1 to 5 November 2023, the Company participated in the 38th Annual Meeting of The SITC in 2023, and shared research data of the following two innovative drug molecules in the poster discussion session:

- GBD201 (CCR8/CTLA-4, BsAb) (Abstract Number: 491):

  GBD201 is a bispecific antibody targeting CCR8/CTLA-4 developed independently by the Company. This bispecific antibody is equipped with a unique molecular design and highly-differentiate functions to maximally reduce the potential toxicity caused by CTLA4 inhibition (such as ipilimumab or tremelimumab).

  - CCR8 is predominantly expressed on regulatory T cells ("**Tregs**") in the tumor microenvironment. Leveraging on such characteristic of CCR8, GBD201 combined with CCR8 with high affinity, driving the BsAb to efficiently combine with Tregs in the tumor microenvironment. In contrast, a partial blocker was selected for the CTLA-4 arm, which only partially blocked the binding of CTLA-4 and CD80/CD86. Furthermore, GBD201 exhibited a combination dependent on the expression of CCR8 and blocked the interactions of CTLA-4, further reducing the peripheral toxicity of CTLA-4 inhibition.

  - GBD201 is a tetravalent antibody composed of CCR8 monoclonal antibody and CTLA-4 VHH nanobody, with a symmetric structure. Its anti-tumor efficacy is mainly achieved through the following mechanisms: 1) GBD201 targeting CCR8+CTLA4-4+ double-positive cells and killing Tregs in the tumor microenvironment by enhancing ADCC function; 2) GBD201 blocking the interaction of CCR8 and CCL1 on Treg cells, thereby inhibiting Treg migration; 3) special epitope of CTLA4 in GBD201 that only partially blocking the interaction of CTLA-4 and its ligands CD80/86, which is highly dependent on the expression of CCR8 on the cell membrane, with very weak blocking activity on CTLA-4 single-positive cells, and intentionally designed to reduce the immune-related toxicity of CTLA-4 inhibition in the periphery.

- On hCCR8/hCTLA-4 double KI mice, GBD201 significantly inhibited tumor growth in the bladder cancer model MB49 and the colorectal cancer model MC38, demonstrating similar or slightly better tumor inhibition effect compared to Ipilimumab, with much better efficacy than that of anti-CCR8 monoclonal antibody. In Tumor Infiltrating Lymphocytes (TIL) analysis, it was found that GBD201 significantly reduced Treg while CD8+T cells significantly increased. The most important differentiation of GBD201 may lie in its significantly improved safety profile. In hCCR8/hCTLA-4 mice, the combination of Ipilimumab (20 mpk) and anti-mouse PD1 antibody could induce obvious joint inflammation, while GBD201 at the same molar dose (23.3 mpk) or five times higher molar dose (116.7 mpk) combined with anti-mouse PD1 antibody did not trigger any joint inflammation. Therefore, GBD201 exhibits excellent anti-tumor activity in preclinical mouse tumor models, and its safety profile is at least 5 times higher than that of Ipilimumab in toxicology model of mice. It has the potential to become a more effective and safe immune checkpoint inhibitor, and may achieve better efficacy and tolerance in clinical treatment in combination with other drugs.

- GBD209 (PD-1/CTLA-4/TIGIT, TsAb) (Abstract Number: 492):

  GBD209 is the first tri-specific antibody independently developed by the Company targeting these three immune checkpoints. By simultaneously blocking the PD-1/CTLA-4/TIGIT inhibitory pathways on T cells, it better relieves immune suppression on T effector cells and produces better anti-tumor synergistic effects.

  - GBD209 has a hexavalent symmetric structure composed of VHH nanobody. GBD209 achieves anti-tumor efficacy through the following mechanisms: 1) completely blocking both PD-1 and TIGIT signaling pathways, while partially blocking the CTLA-4 mediated signaling pathway; 2) high affinity for binding PD-1 and TIGIT, but the interaction of CTLA-4 is highly dependent on the expression of PD-1 on the cell membrane; 3) inducing target endocytosis of PD-1, TIGIT, and CTLA-4; 4) nanobody with smaller molecular weights providing better tissue penetration.

  - In the humanized mouse melanoma A375 model, GBD209 showed better anti-tumor activity compared to PD1/CTLA-4 bsAb as well as the combination therapy of anti-PD-1, CTLA-4, and TIGIT antibodies. In the toxicology model of mice, the safe dose of GBD209 is at least 15 times higher than that of Ipilimumab. In the toxicological model of mouse arthritis, GBD209 demonstrated a favorable safety profile. In hPD-1/hCTLA-4/hTIGIT triple transgenic mice, the combination of Ipilimumab (15mpk) and nivolumab induced obvious joint inflammation and resulted in 60% of mouse deaths, while GBD209 only induced mild joint inflammation in a few animals at 5 times higher molar dose (62.5 mpk) or 15 times higher molar dose (187.5 mpk), with no mouse deaths. This result indicates that GBD209 has significantly improved safety profile compared to Ipilimumab, and has the potential to become a low toxicity and efficient next-generation immune checkpoint inhibitor. It can also be further combined with other therapies (such as ADC), which may significantly improve clinical efficacy.

As at 31 December 2023,

- Five PCC molecules have been developed, all of which are the FIC/BIC bi-specific/ multispecific antibody projects;

- Abstracts of two of TsAb projects have been accepted for publication at the 2024 Annual Meeting of the AACR; and

- GB268 (TsAb) has entered the IND enabling stage.

Strategic Cooperation and Commercialization

- During the Reporting Period, Jiayoujian 佳佑健® (GB242, Infliximab) has been made available for online procurement in 26 provinces and cities across China.

Aibining®艾比寧® (GB226, Geptanolimab)

In June 2023, the Company has been notified by the NMPA that the NDA approval of Aibining® 艾比寧® (GB226, Geptanolimab) as a treatment for relapsed/refractory peripheral T-cell lymphoma (PTCL) was not granted, while other clinical trials would not be affected.

GB221 (Her2, monoclonal antibody)

The last patient in GB221-004, a randomized, double-blind, multi-center phase III clinical study evaluating GB221 (Her2, monoclonal antibody) or trastuzumab in combination with docetaxel in patients with HER2+mBC in the first-line setting, has been enrolled to complete his/her treatment.

Drive continuous optimization of Chemistry, Manufacturing and Controls ("CMC") quality and efficiency.

In accordance with the Company's strategy of "focus and optimization", CMC continued to promote the platform based construction of the internal and external cooperation workflow of the project.

- Through the domestic exploration of culture medium, chromatographic filler, disposable products (dispensing bags, storage bags, filling bags and filters) and auxiliary materials, we, without affecting the quantity and quality of products, have significantly reduced production costs, improved the stability of the supply chain, reduced storage costs, and enhanced liquidity efficiency.

- We continued to promote the establishment and optimization of a molecular developable assessment platform for rapid protein expression, high-throughput purification, full range of characterization and process applicability assessment, and also facilitating the development and application of high-concentration preparation development platform in line with the demand of projects.

- We further improved the quality control and study platform. We strengthened the construction of applicable quality system and MAH-related quality system and initiated the establishment of the drug variety archive. We supervised the conformity of CDMO's process and method development methods, production process and testing process according to the quality manual formulated by GMP, released according to the conformity of the final product, and further optimized the working mode and cooperation efficiency.

2. Events after the Reporting Period

- On 28 February 2024, the Company officially submitted the NDA of GB491 (Lerociclib) for the first line breast cancer indication to the NMPA, and the NMPA has officially accepted the application on 13 March 2024.

- On 19 January 2024, the Company entered into an antibody molecules and technology transfer agreement with Zhongmei Huadong, under which an antibody drug and related IP rights of the Company were transferred to Zhongmei Huadong.

Cautionary Statement required by Rule 18A.08(3) of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"): Apart from Jiayoujian 佳佑健® (GB242, Infliximab Biosimilar), the Company cannot guarantee that it will be able to develop, and ultimately market, any of the other drug candidates successfully. Shareholders and potential investors of the Company are advised to exercise due care when dealing in the shares of the Company.

BUSINESS OUTLOOK

The Group will further concentrate its efforts on potential global FIC and BIC innovation pipelines, optimize and maximize its existing product portfolio by developing and executing a comprehensive strategy to conduct research on molecules with the best potential to become clinically beneficial and commercially viable drugs, with a view to achieving the mission of addressing unmet medical needs in China and globally.

With regards to concentration and optimization, the Company plans to achieve the approval of the NDA for GB491 (Lerociclib) in combination with Fluvestran as the treatment of HR+/HER2 – locally advanced or metastatic breast cancer patients with disease progression following previous endocrine therapy in the coming twelve months. The Group will actively seek partners to introduce safe, effective and well tolerated novel therapies, in order to address the treatment needs of large number of patients with breast cancer in China and around the world. The transfer of technology for local production of GB491 (Lerociclib) has also been initiated simultaneously.

As for bi-specific and tri-specific antibody drug candidates, the Group will actively expand external partnership in its clinical programs on the basis of the clinical concept validation data for GB261 (CD20/CD3, BsAb) and GB263T (EGFR/cMET/cMET, TsAb).

FINANCIAL REVIEW

The Reporting Period compared to year ended 31 December 2022

	Notes	Year ended 31 December	
		2023	2022
		RMB'000	*RMB'000*
Revenue	2	**–**	15,932
Cost of revenue	3	**–**	(983)
Gross profit		**–**	14,949
Selling expenses	4	**–**	(83,143)
Administrative expenses	5	**(125,237)**	(134,130)
Research and development expenses	6	**(564,278)**	(583,881)
Net impairment losses on financial assets		**(8,922)**	–
Other income – net	7	**5,649**	9,855
Other losses – net		**(18,408)**	(6,369)
Operating loss		**(711,196)**	(782,719)
Finance income	8	**34,739**	53,314
Finance costs	8	**(1,039)**	(3,015)
Finance income – net		**33,700**	50,299
Loss before income tax		**(677,496)**	(732,420)
Income tax credit		**2,280**	2,024
Loss for the Reporting Period	9	**(675,216)**	(730,396)

1. Overview

During the Reporting Period, the revenue of the Group was nil, as compared to RMB15.9 million for the year ended 31 December 2022, and the loss for the Reporting Period were RMB675.2 million, as compared to a loss of RMB730.4 million for the year ended 31 December 2022.

Research and development expenses of the Group were RMB564.3 million for the Reporting Period, as compared to RMB583.9 million for the year ended 31 December 2022. Administrative expenses were RMB125.2 million for the Reporting Period, as compared to RMB134.1 million for the year ended 31 December 2022. Selling expenses of the Group was nil for the Reporting Period, as compared to RMB83.1 million for the year ended 31 December 2022.

2. Revenue

Revenue for the Reporting Period was nil. Revenue for the year ended 31 December 2022 was RMB15.9 million.

3. Cost of Revenue

Cost of revenue for the Reporting Period was nil, as compared to RMB1.0 million for the year ended 31 December 2022. This change was primary due to the decrease in our revenue.

4. Selling Expenses

Selling expenses decreased by 100% from RMB83.1 million in 2022 to nil in 2023, primarily due to the decrease in the number of commercial employees.

5. Administrative Expenses

Administrative expenses decreased by 6.6% from RMB134.1 million in 2022 to RMB125.2 million in 2023, primarily due to the decrease in employee benefits expenses.

6. Research and Development Expenses

Research and development expenses decreased by 3.4% from RMB583.9 million in 2022 to RMB564.3 million in 2023, primarily due to (i) the decrease in employee benefits expenses for research and development personnel; (ii) the decrease in our new drugs development fee and clinical trial expenses; and (iii) the decrease in raw material and consumables used.

The following table summarises the components of the research and development expenses of the Group for the years ended 31 December 2023 and 2022:

	Year ended 31 December	
	2023	2022
	RMB'000	*RMB'000*
Development fee and clinical trial expenses	**194,298**	239,733
Employee benefits expenses	**127,361**	185,668
Impairment of non-current assets	**79,286**	–
Depreciation and amortisation	**69,951**	46,761
Raw material and consumables used	**34,399**	69,019
Write down of inventories	**33,832**	–
Traveling and transportation expenses	**9,881**	9,068
Professional and technical service fee	**8,732**	22,663
Others	**3,540**	5,091
Utilities	**2,998**	5,878
Total	**564,278**	583,881

7. Other Income – Net

Other income – net primarily consists of government grants and net fair value gains on contingent consideration payable to AB Studio Inc. ("**ABS**"). Government grants amounted to RMB3.7 million and RMB4.9 million in 2023 and 2022, separately. Net fair value gains on contingent consideration payable to ABS decreased from RMB4.9 million in 2022 to RMB1.3 million in 2023.

8. Finance Income and Costs

Finance income decreased from RMB53.3 million in 2022 to RMB34.7 million in 2023, primarily due to the fluctuation of the foreign exchange rates.

Finance costs decreased from RMB3.0 million in 2022 to RMB1.0 million in 2023, primarily due to the decrease of the interests on bank borrowings.

9. Loss for the Reporting Period

As a result of the foregoing, our losses decreased from RMB730.4 million in 2022 to RMB675.2 million in 2023.

10. Liquidity and Source of Funding and Borrowing

Our management monitors and maintains a level of cash and bank balances deemed adequate to finance our operations and mitigate the effects of fluctuations in cash flow. We rely on equity financing as the major source of liquidity. Historically, we had borrowed loans from bank. As at 31 December 2023, the short-term borrowings from bank was nil (as at 31 December 2022: nil).

As at 31 December 2023, our cash and bank balances decreased to RMB1,165.5 million from RMB1,588.7 million as at 31 December 2022. The decrease was mainly due to the operating loss for the Reporting Period.

11. Non-HKFRS Measure

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

The following table reconciles our Adjusted Loss for the Reporting Period to the most directly comparable financial measure calculated and presented in accordance with HKFRS:

	Year ended 31 December	
	2023	2022
	RMB'000	*RMB'000*
HKFRS Loss for the year	**(675,216)**	(730,396)
Add:		
Share-based payment expenses	**60,910**	48,238
Adjusted Loss for the year	**(614,306)**	(682,158)

12. Key Financial Ratios

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

	As at 31 December 2023	As at 31 December 2022
Current ratio[1]	**5.41**	6.61
Quick ratio[2]	**5.25**	6.24
Gearing ratio[3]	**0.18**	0.15

Notes:

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

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

3. Gearing ratio is calculated using total liabilities divided by total assets as at the same date.

13. Significant Investments

The Group did not make or hold any significant investments (including any investment in an investee company with a value of 5 per cent or more of the Company's total assets as at 31 December 2023) during the Reporting Period.

14. Material Acquisitions and Disposals

The Group did not have any material acquisitions or disposals of subsidiaries, consolidated affiliated entities or associated companies during the Reporting Period (for the year ended 31 December 2022: nil).

15. Pledge of Assets

As at 31 December 2023, none of the Group's assets were pledged (as at 31 December 2022: nil).

16. Contingent Liabilities

As at 31 December 2023, the Group had no significant contingent liabilities (as at 31 December 2022: nil).

17. Foreign Exchange Exposure

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

As at 31 December 2023, if RMB weakened or strengthened by 10% against USD, with all other variables held constant, loss for the year of the Group would have been approximately RMB18,461,000 lower or higher (2022: RMB22,555,000 lower or higher).

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

18. Employees and Remuneration

As at 31 December 2023, the Group had a total of 104 employees including 103 employees in Shanghai, 1 employee in San Francisco, United States. The following table sets forth the total number of employees by function as at 31 December 2023:

	Number of employees	% of total
Function		
Research and Development	36	34%
Clinical Development	39	38%
General and Administration	29	28%
Total	104	100%

The total remuneration cost incurred by the Group for the Reporting Period was RMB225.4 million, as compared to RMB333.0 million for the year ended 31 December 2022.

Our employees' remuneration comprises salaries, bonuses, share-based payment expenses, social security contributions and other welfare payments. In accordance with applicable Chinese laws, we have made contributions to social security insurance funds (including pension plans, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance) and housing funds for our employees. As at 31 December 2023, we had complied with all statutory social security insurance fund and housing fund obligations applicable to us under Chinese laws in all material aspects.

The Company has also adopted a Pre-IPO share option plan (the "**Pre-IPO Share Option Plan**"), a post-IPO share option plan (the "**Post-IPO Share Option Plan**"), a 2021 restricted share unit plan (the "**2021 RSU Plan**"), a 2023 Share Option Plan (the "**2023 Share Option Plan**") and a 2023 RSU Plan (the "**2023 RSU Plan**") to provide incentives or rewards to eligible participants for their contribution to the Group. The Post-IPO Share Option Plan and 2021 RSU Plan were terminated on 27 October 2023. All outstanding share options (to the extent not already exercised) granted under the Post-IPO Share Option Plan shall continue to be valid and exercisable in accordance with the terms of the Post-IPO Share Option Plan and the relevant grant agreement. All unvested restricted share units shall continue to be valid and shall vest in accordance with the terms of the 2021 RSU Plan and the relevant grant agreement.

Please refer to the section headed "Statutory and General Information – D. Share Option Schemes" in Appendix IV to the prospectus of the Company dated 23 September 2020 (the "**Prospectus**") for further details of the Pre-IPO Share Option Plan and the Post-IPO Share Option Plan, the announcements of the Company dated 3 June 2021, dated 27 August 2021 and dated 5 October 2022 for further details of the 2021 RSU Plan, and the circular of the Company dated 12 October 2023 for further details of the 2023 Share Option Plan and 2023 RSU Plan.

FINAL DIVIDEND

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

ANNUAL GENERAL MEETING

The annual general meeting of the Company is scheduled to be held on Thursday, 27 June 2024 (the "**AGM**"). A notice convening the AGM will be published and dispatched to the Shareholders as soon as practicable in accordance with the Company's articles of association and the Listing Rules in due course.

PROPOSED ADOPTION OF THE EIGHTH AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

The Board proposes to amend and restate the current memorandum and articles of association of the Company (the "**Current Memorandum and Articles of Association**") for the purpose of updating and bringing the Current Memorandum and Articles of Association in line with the amendments to the Listing Rules which mandate the electronic dissemination of corporate communications by listed issuers to their securities holders from 31 December 2023 onwards, as well as other housekeeping changes (the "**Proposed Amendments**"). The Proposed Amendments will permit the Company and the Board to serve notices or documents to Shareholders without obtaining their prior written consent or deemed consent. The Board also proposes to adopt the eighth amended and restated memorandum and articles of association of the Company (the "**Eighth Amended and Restated Memorandum and Articles of Association**") which consolidates all Proposed Amendments, in substitution for and to the exclusion of the Current Memorandum and Articles of Association.

The Proposed Amendments and the adoption of the Eighth Amended and Restated Memorandum and Articles of Association will become effective upon approval by the Shareholders by special resolution at the upcoming AGM.

A circular containing, amongst others, further details of the Proposed Amendments, the adoption of the Eighth Amended and Restated Memorandum and Articles of Association and the notice of the AGM will be despatched to the Shareholders in due course.

CLOSURE OF THE REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 24 June 2024 to Thursday, 27 June 2024, both days inclusive, in order to determine the identity of the Shareholders who are entitled to attend and vote at the AGM, during which period no share transfers will be registered. To be eligible to attend and vote at the AGM, unregistered holders of shares must lodge all properly completed transfer forms accompanied by the relevant share certificates with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 21 June 2024.

CORPORATE GOVERNANCE AND OTHER INFORMATION

The Company was incorporated under the laws of the Cayman Islands on 10 April 2017 as an exempted company with limited liability, and the shares of the Company were listed on the Stock Exchange on 7 October 2020 (the "**Listing**").

1. Compliance with the Corporate Governance Code

The Board is committed to establishing and maintaining high standards of corporate governance so as to enhance corporate transparency and protect the interests of the Shareholders. The Company devotes to best practice on corporate governance, and to comply with the extent practicable, with the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 of the Listing Rules.

During the year ended 31 December 2023, to the best knowledge of the Board, the Company has complied with all the code provisions in the CG Code, save for deviation from code provision C.2.1 as explained below:

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

Dr. GUO Feng ("**Dr. Guo**") performs both of the roles as the chairman and the chief executive of the Company with effect from 2 November 2021. This deviates from code provision C.2.1 of the CG Code which requires that the roles of chairman and chief executive should be separated and should not be performed by the same individual.

After evaluation of the current situation of the Company and taking into account of the experience and past performance of Dr. Guo, the Board is of the opinion that it is appropriate and in the best interests of the Company at the present stage for Dr. Guo to hold both positions as the chairman and the chief executive officer of the Company as it helps to facilitate the execution of the Group's business strategies and boost effectiveness of its operation. In addition, the Board, comprising of one executive Director, three non-executive Directors and three independent non-executive Directors, is appropriately structured with balance of power to provide sufficient checks to protect the interests of the Company and the Shareholders.

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

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

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

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "**Model Code**") to regulate all dealings by Directors and relevant employees in securities of the Company and other matters covered by the Model Code.

Specific enquiry has been made to all the Directors and they have confirmed that they have complied with the required standards as set out in the Model Code throughout the Reporting Period. No incident of non-compliance of the Model Code by the relevant employees was noted by the Company throughout the Reporting Period.

3. Scope of Work of PricewaterhouseCoopers

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

4. Review of Consolidated Annual Results by the Audit Committee

The Company has established an audit committee with written terms of reference in accordance with the Listing Rules. The audit committee comprises three members, namely Mr. FUNG Edwin, Mr. LIU Yi and Mr. ZHOU Honghao, with Mr. FUNG Edwin (being the Company's independent non-executive Director with appropriate professional qualifications) as the chairman of the audit committee.

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

5. Other Board Committees

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

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

Neither the Company nor any of its subsidiaries or consolidated affiliated entities purchased, sold or redeemed any of the Company's listing securities during the Reporting Period.

7. Material Litigation

The Company was not involved in any material litigation or arbitration during the Reporting Period. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Group during the Reporting Period and up to the date of this announcement.

8. Use of Net Proceeds from Global Offering

The Company's shares were listed on the Stock Exchange on 7 October 2020 with a total of 129,683,500 offer shares (including shares issued as a result of the partial exercise of the over-allotment option) issued and the net proceeds raised during the global offering were approximately HK$2,923 million (the "**Net Proceeds**"). As set out in the Company's announcement dated 28 October 2020, the Company shall utilise the additional Net Proceeds raised from the partial exercise of the over-allotment option on a pro-rata basis for the purposes set out in the Prospectus.

The Company had used the Net Proceeds in accordance with the plan disclosed in the Prospectus and the change in use of net proceeds from the global offering allocated to different stages of each of our Core Products, other key products and other pipeline products as set out in the interim results announcement of the Company for the six months ended 30 June 2022 (the "**2022 Interim Results Announcement**"). During the Reporting Period, due to the reasons set out in the section headed "Reasons for the Change in Use of Net Proceeds" below, the Board has resolved to further change the use of the Net Proceeds (the "**Change**") as disclosed in the interim results announcement of the Company for the six months ended 30 June 2023 (the "**2023 Interim Results Announcement**").

The unutilised Net Proceeds are approximately RMB864.8 million as at 31 December 2023, which will be allocated and used in accordance with the purposes and proportions as set out in the 2023 Interim Results Announcement. The Company will gradually utilise the residual amount of the Net Proceeds in accordance with such intended purposes depending on actual business needs.

Details of the use of the Net Proceeds before and after the Change during the Reporting Period are set out respectively as below.

Before the Change:

	Allocation of Net Proceeds in the proportion disclosed in the Prospectus[(Note 1)] *RMB million*	Unutilised Net Proceeds as at 1 January 2023 *RMB million*	Net Proceeds utilised during the year ended 31 December 2023 *RMB million*	Utilised Net Proceeds as at 31 December 2023 *RMB million*	Unutilised Net Proceeds as at 31 December 2023 *RMB million*	Expected timeline to fully utilise the remaining unutilised Net Proceeds [(Note 2)]
Fund research and development activities of our Core Products, including ongoing and planned clinical trials, indication expansion and preparation for registration filings, and commercialisation	1,065.1	494.5	20.5	591.1	474.0	On or before 31 December 2025
Fund research and development activities of our other key products, including ongoing and planned clinical trials, indication expansion and preparation for registration filings	583.3	186.5	173.0	569.8	13.5	On or before 31 December 2024
Fund ongoing and planned clinical trials, indication expansion and preparation for registration filings of the other drug candidates in our pipeline	380.4	240.6	62.9	202.7	177.7	On or before 31 December 2025
Fund the expansion of our drug pipeline	253.6	180.1	32.3	105.8	147.8	On or before 31 December 2025
General corporate purposes	253.6	77.7	25.9	201.8	51.8	On or before 31 December 2024
Total	**2,536.0**	**1,179.4**	**314.6**	**1,671.2**	**864.8**	

Notes:

1. The Net Proceeds figure has been translated to Renminbi for the allocation and the utilisation calculation, and has been adjusted slightly due to the fluctuation of the foreign exchange rates since the Listing.

2. The expected timeline for fully utilising the remaining unutilised Net Proceeds was based on the best estimation of the future market conditions made by the Group. It might be subject to change based on the current and future development of market conditions.

The table below specifies further breakdown for the Net Proceeds to be allocated to different stages of each of our Core Products (has the meaning ascribed to it under the Chapter 18A of the Listing Rules), other key products and other pipeline products and their utilisation during the year ended 31 December 2023 before the Change.

	Revised Net Proceeds to be Allocated to Each Stage as stated in the 2022 Interim Results Announcement *(Note 1)*							
	Pre-clinical *RMB million*	**Clinical** *RMB million*	**Commercialization (including registration)** *RMB million*	**Unutilised Net Proceeds as at 1 January 2023** *RMB million*	**Net Proceeds utilised during the year ended 31 December 2023** *RMB million*	**Utilised Net Proceeds as at 31 December 2023** *RMB million*	**Unutilised Net Proceeds as at 31 December 2023** *RMB million*	**Expected timeline to fully utilise the remaining unutilised Net Proceeds** *(Note 2)*
Core Products								
GB226, including combination trials with GB492	–	380.4	253.6	**294.3**	**15.9**	**355.6**	**278.4**	On or before 31 December 2025
GB221	–	126.8	126.8	**126.8**	**–**	**126.8**	**126.8**	On or before 31 December 2025
GB242	–	51.5	126.0	**73.4**	**4.6**	**108.7**	**68.8**	On or before 31 December 2024
Other Key Products								
GB491	–	576.1	–	**186.5**	**173.0**	**562.6**	**13.5**	On or before 31 December 2024
GB223	–	7.2	–	**–**	**–**	**7.2**	**–**	
Other Pipeline Products								
(including GB261, GB263 and other products) *(Note 3)*	125.5	254.9	–	**240.6**	**62.9**	**202.7**	**177.7**	On or before 31 December 2025
Total				**921.6**	**256.4**	**1,363.6**	**665.2**	

Notes:

1. The Net Proceeds figure has been translated to Renminbi for the allocation and the utilisation calculation, and has been adjusted slightly due to the fluctuation of the foreign exchange rates since the Listing.

2. The expected timeline for fully utilising the remaining unutilised Net Proceeds was based on the best estimation of the future market conditions made by the Group. It might be subject to change based on the current and future development of market conditions.

3. As set out in the Prospectus and the 2022 Interim Results Announcement, other products include GB241, GB222, GB224, GB235, GB251, GB232, GB262, GB264, and also GB223 moved from other key products. The Company will make investment on those products according to the current and future development conditions and market competition environment.

After the Change:

	Revised Allocation of Net Proceeds[(Note 1)] *RMB million*	Unutilised Net Proceeds as at 1 January 2023 *RMB million*	Net Proceeds utilised during the year ended 31 December 2023 *RMB million*	Utilised Net Proceeds as at 31 December 2023 *RMB million*	Unutilised Net Proceeds as at 31 December 2023 *RMB million*	Expected timeline to fully utilise the remaining unutilised Net Proceeds [(Note 2)]
Fund research and development activities of GB491, GB261 and GB263, including ongoing and planned clinical trials, indication expansion and preparation for registration filings, and commercialisation	1,329.2	827.2	235.7	737.7	591.5	On or before 31 December 2026
Fund the expansion of our drug pipeline	253.6	180.1	32.3	105.8	147.8	On or before 31 December 2026
Fund ongoing and planned clinical trials, preparation for registration filings, and commercialization of GB226 (including combination trials with GB492), GB242 and the other drug candidates in our pipeline	699.6	94.4	20.7	625.9	73.7	On or before 31 December 2026
General corporate purposes	253.6	77.7	25.9	201.8	51.8	On or before 31 December 2025
Total	**2,536.0**	**1,179.4**	**314.6**	**1,671.2**	**864.8**	

Notes:

1. The Net Proceeds figure has been translated to Renminbi for the allocation and the utilisation calculation, and has been adjusted slightly due to the fluctuation of the foreign exchange rates since the Listing.

2. The expected timeline for fully utilising the remaining unutilised Net Proceeds is based on the best estimation of the future market conditions made by the Group. It may be subject to change based on the current and future development of market conditions.

The table below specifies further breakdown for the Net Proceeds to be allocated to different stages of our products and their utilisation during the year ended 31 December 2023 after the Change.

	Revised Allocation of Net Proceeds to Each Stage [Note 1]							
	Pre-clinical *RMB million*	Clinical *RMB million*	Commercialization (including registration) *RMB million*	Unutilised Net Proceeds as at 1 January 2023 *RMB million*	Net Proceeds utilised during the year ended 31 December 2023 *RMB million*	Utilised Net Proceeds as at 31 December 2023 *RMB million*	Unutilised Net Proceeds as at 31 December 2023 *RMB million*	Expected timeline to fully utilise the remaining unutilised Net Proceeds [Note 2]
GB491	–	736.4	100	**446.8**	**173.0**	**562.6**	**273.8**	On or before 31 December 2026
GB261	55.8	277.1	–	**271.4**	**48.4**	**109.9**	**223.0**	On or before 31 December 2026
GB263	45.8	114.1	–	**109.0**	**14.3**	**65.2**	**94.7**	On or before 31 December 2026
GB242, GB226, GB492 and other products [Note 3]	23.9	549.7	126	**94.4**	**20.7**	**625.9**	**73.7**	On or before 31 December 2026
Total				**921.6**	**256.4**	**1,363.6**	**665.2**	

Notes:

1. The Net Proceeds figure has been translated to Renminbi for the allocation and the utilisation calculation, and has been adjusted slightly due to the fluctuation of the foreign exchange rates since the Listing.

2. The expected timeline for fully utilising the remaining unutilised Net Proceeds is based on the best estimation of the future market conditions made by the Group. It may be subject to change based on the current and future development of market conditions.

3. Other products include GB221, GB223, GB241, GB251, GB262, and GB264. The Company will make investment on those products according to the current and future development conditions and market competition environment.

Reasons for the Change in Use of Net Proceeds

Considering the rapidly changing market competition environment, reflecting the Company's strategy of focusing on the therapeutic areas with substantial unmet medical needs, prioritizing and accelerating highly differentiated product pipelines, the Board has decided to reprioritize our pipeline products and concentrate more on the research and development of GB491, GB261 and GB263. Moreover, since we have cut down our expenses significantly and can devote more resources to our highly differentiated product pipelines, the expected timeline to fully utilise the remaining unutilised Net Proceeds has been postponed by one to two years. Please refer to "Management Discussion and Analysis – Business Review" above for further information about GB491, GB261 and GB263. The Board confirms that there is no material change in the business nature of the Company as set out in the Prospectus and considers that the above changes in the use of the Net Proceeds is in the best interests of the Company and its Shareholders as a whole.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Year ended 31 December 2023 RMB'000	2022 RMB'000
Revenue		**–**	15,932
Cost of revenue		**–**	(983)
Gross profit		**–**	14,949
Selling expenses		**–**	(83,143)
Administrative expenses		**(125,237)**	(134,130)
Research and development expenses		**(564,278)**	(583,881)
Net impairment losses on financial assets		**(8,922)**	–
Other income – net		**5,649**	9,855
Other losses – net		**(18,408)**	(6,369)
Operating loss		**(711,196)**	(782,719)
Finance income		**34,739**	53,314
Finance costs		**(1,039)**	(3,015)
Finance income – net		**33,700**	50,299
Loss before income tax		**(677,496)**	(732,420)
Income tax credit	3	**2,280**	2,024
Loss for the year		**(675,216)**	(730,396)
Loss for the year is attributable to:			
Owners of the Company		**(674,362)**	(730,214)
Non-controlling interests		**(854)**	(182)
		(675,216)	(730,396)
Other comprehensive loss			
Items that may be reclassified to profit or loss			
– Exchange differences on translation of foreign operations		**(745)**	(1,389)
Total comprehensive loss for the year		**(675,961)**	(731,785)
Total comprehensive loss for the year is attributable to:			
Owners of the Company		**(675,107)**	(731,603)
Non-controlling interests		**(854)**	(182)
		(675,961)	(731,785)
Loss per share attributable to the ordinary equity holders of the Company			
Basic and diluted loss per share (in RMB)	4	**(1.33)**	(1.45)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31 December	
	2023	2022
	RMB'000	*RMB'000*
ASSETS		
Non-current assets		
Property, plant and equipment	**53,417**	179,990
Right-of-use assets	**6,720**	25,227
Intangible assets	**110,099**	163,208
Other receivables, deposits and prepayments	**27,168**	19,600
Deferred income tax assets	**8,350**	6,913
Total non-current assets	**205,754**	394,938
Current assets		
Inventories	**5,667**	47,404
Contract cost	**1,341**	1,341
Other receivables, deposits and prepayments	**68,634**	82,703
Cash and bank balances	**1,165,481**	1,588,705
Total current assets	**1,241,123**	1,720,153
Total assets	**1,446,877**	2,115,091

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

	Notes	As at 31 December 2023 RMB'000	2022 RMB'000
LIABILITIES			
Non-current liabilities			
Lease liabilities		**3,924**	21,823
Amounts due to related parties		**559**	1,232
Deferred income		**10,574**	13,984
Deferred income tax liabilities		**11,595**	12,439
Total non-current liabilities		**26,652**	49,478
Current liabilities			
Trade payables	5	**141,661**	132,158
Contract liabilities		**4,893**	4,893
Other payables and accruals		**75,883**	109,643
Lease liabilities		**3,231**	6,763
Amounts due to related parties		**165**	1,360
Provisions		**–**	1,886
Deferred income		**3,692**	3,692
Total current liabilities		**229,525**	260,395
Total liabilities		**256,177**	309,873
EQUITY			
Equity attributable to the ordinary equity holders of the Company			
Share capital		**69**	69
Share premium		**9,397,851**	9,375,785
Treasury shares		**(5,198)**	(5,198)
Other reserves		**(1,413,572)**	(1,452,204)
Accumulated losses		**(6,790,336)**	(6,115,974)
		1,188,814	1,802,478
Non-controlling interests		**1,886**	2,740
Total equity		**1,190,700**	1,805,218
Total equity and liabilities		**1,446,877**	2,115,091

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

1.1 General information

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

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

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

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

2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

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

(a) Compliance with HKFRS and the disclosure requirements of HKCO

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

(b) Historical cost convention

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

(c) New and amended standards adopted by the Group

The Group has applied the following new and amended standards for its annual reporting period commencing 1 January 2023:

- HKFRS 17 Insurance Contracts
- Definition of Accounting Estimates – amendments to HKAS 8
- International Tax Reform – Pillar Two Model Rules – amendments to HKAS 12
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – amendments to HKAS 12
- Disclosure of Accounting Policies – Amendments to HKAS 1 and HKFRS Practice Statement 2

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

(d) New standards and interpretations not yet adopted

			Effective for annual periods beginning on or after
•	Hong Kong Interpretations 5(Revised)	Presentation of financial statements-classification by the borrower of a term loan that contains a repayment on demand clause	01-Jan-24
•	Amendments to HKAS 1	Classification of Liabilities as Current or Non-current	01-Jan-24
•	Amendments to HKAS 1	Non-current Liabilities with Covenants	01-Jan-24
•	Amendments to HKFRS 16	Lease liability in a sale and leaseback	01-Jan-24
•	Amendments to HKAS 21	Lack of exchangebility	01-Jan-25
•	Amendments to HKAS 7 and HKFRS 7	Supplier finance arrangements	01-Jan-24
•	Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture	To be determined

Certain amendments to accounting standards and interpretation have been published that are not mandatory for 31 December 2023 reporting periods and have not been early adopted by the group. These amendments are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

3 INCOME TAX CREDIT

(a) Income tax credit

	Year ended 31 December	
	2023	2022
	RMB'000	*RMB'000*
Current tax		
Current tax on profits for the year	**–**	–
Total current tax expense	**–**	–
Deferred income tax		
Decrease/(increase) in deferred tax assets	**3,190**	(1,654)
Decrease in deferred tax liabilities	**(5,470)**	(370)
Total deferred tax credit	**(2,280)**	(2,024)
Income tax credit	**(2,280)**	(2,024)

(i) Accounting for research and development tax credit

Companies within the Group may be entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure. The Group accounts for such allowances as tax credits, which means that the allowance reduces income tax payable and current tax expense.

(ii) Cayman Islands income tax

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

(iii) Hong Kong Profits Tax

Hong Kong profits tax rate is 16.5% for the year ended 31 December 2023 (2022: 16.5%). No Hong Kong profit tax was provided for as there was no estimated assessable profit that was subject to Hong Kong profits tax for the years ended 31 December 2023 and 2022.

(iv) USA Corporate Income Tax

The corporate income tax rate of AB Therapeutics Inc. and Genor Biopharma (USA), Inc. are subject to both federal income tax rate and California income tax rate, which is 29.84% in total for the year ended 31 December 2023 (2022: 29.84%). No USA profit tax was provided for as there was no estimated assessable profit that was subject to USA profits tax for the years ended 31 December 2023 and 2022.

(v) PRC Corporate Income Tax

In 2022, a "Certificate of New Hi-tech Enterprise" was granted to Genor Biopharma Co., Ltd. with a valid period of 3 years, and then Genor Biopharma Co., Ltd. becomes eligible for a preferential corporate income tax rate of 15% for the year ended 31 December 2023 (2022: 15%).

Other subsidiaries established and operated in Mainland China are subject to the PRC corporate income tax at the rate of 25% for the year ended 31 December 2023 (2022: 25%).

(vi) Australian Corporate Income Tax

Australian corporate tax rate is 25% for the year ended 31 December 2023. No Australian corporate tax was provided for as there was no estimated assessable profit that was subject to Australian corporate tax for the year ended 31 December 2023.

(vii) Investment allowances and similar tax incentives

Companies within the Group may be entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure. The Group accounts for such allowances as tax credits, which means that the allowance reduces income tax payable and current tax expense.

4 LOSS PER SHARE

(a) Basic loss per share

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

	Year ended 31 December	
	2023	2022
Loss attributable to owners of the Company (in RMB'000)	**(674,362)**	(730,214)
Weighted average number of ordinary shares in issue (in thousand)	**506,245**	504,301
Basic loss per share (in RMB)	**(1.33)**	(1.45)

(b) Diluted loss per share

The Group has potential dilutive shares throughout for the year ended 31 December 2023 in relation to the shares held for employee option plan and shares to be issued to Ab Studio Inc. ("ABS"). Due to the Group's losses during the year ended 31 December 2023, the potential dilutive shares have anti-dilutive effect on the Group's loss per share. Thus, the diluted loss per share is the same as basic loss per share.

5 TRADE PAYABLES

The aging analysis, based on invoice date, of trade payables as at the consolidated balance sheet date were as follows:

	As at 31 December	
	2023	2022
	RMB'000	*RMB'000*
Within 1 year	**139,012**	130,964
1-2 years	**2,397**	397
2-3 years	**252**	797
	141,661	132,158

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

6 DIVIDEND

No dividend has been paid or declared by the Company during the years ended 31 December 2023 and 2022.

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

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

By order of the Board
Genor Biopharma Holdings Limited
Dr. Guo Feng
Chief Executive Officer and Chairman

Hong Kong, 27 March 2024

As at the date of this announcement, the Board comprises Dr. GUO Feng as an executive Director; Dr. LYU Dong, Mr. YU Tieming and Mr. LIU Yi as non-executive Directors; Mr. ZHOU Honghao, Mr. FUNG Edwin and Mr. CHEN Wen as independent non-executive Directors.