ImmuneOnco Biopharmaceuticals (Shanghai) Inc.

宜明昂科生物醫藥技術（上海）股份有限公司

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

(Stock Code: 1541)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2024

The board (the "**Board**") of directors (the "**Directors**") of ImmuneOnco Biopharmaceuticals (Shanghai) Inc. (the "**Company**") is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended June 30, 2024, together with comparative figures for the same period of 2023. These interim results have been reviewed by the Audit Committee of the Company.

In this announcement, "**we**", "**us**" and "**our**" refer to the Company or where the context otherwise requires, the Group. Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments or have been rounded to one or two decimal places, as appropriate. Any discrepancies in any table, chart or elsewhere totals and sums of amounts listed therein are due to rounding. Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings ascribed thereto in the Prospectus of the Company dated August 24, 2023.

BUSINESS HIGHLIGHTS

The Company was listed on the Stock Exchange on September 5, 2023. During the Reporting Period and up to the date of this results announcement, we continued rapidly advancing the development of our drug pipeline, including the following milestones and achievements.

Progress of Our Core Product

- *IMM01 (Timdarpacept) (SIRP**α**-Fc Fusion Protein)*

  - We have completed the enrollment of patients for the Phase II clinical trial of IMM01 in combination with azacitidine for the first-line treatment of chronic myelomonocytic leukemia (CMML) in May 2023. As of June 30, 2024, among the 22 evaluable patients, the ORR reached 72.7% (16/22), with a CRR of 27.3% (6/22). For patients treated for ≥ 4 months, the ORR reached 87.5% (14/16), and the CRR reached 37.5% (6/16). Among patients treated for ≥ 6 months, the ORR reached 84.6% (11/13), and the CRR reached 46.2% (6/13), revealing increasing efficacy with prolonged treatment duration.

  - We have completed the enrollment of patients for the Phase II clinical trial of IMM01 in combination with azacitidine for the first-line treatment of higher-risk myelodysplastic syndrome (MDS) in June 2023. As of June 30, 2024, among the 51 evaluable patients, the overall response rate (ORR) was 64.7% (33/51), with a complete response rate (CRR) of 33.3% (17/51). For patients treated for ≥ 4 months, the ORR reached 85.3% (29/34), with a CRR of 50.0% (17/34). Among patients treated for ≥ 6 months, the ORR reached 89.7% (26/29), and the CRR reached 58.6% (17/29), demonstrating increasing efficacy with prolonged treatment duration. The data was orally presented at the 2024 American Society of Clinical Oncology ("**ASCO**") Annual Meeting in June 2024.

  - We have completed the enrollment of patients for the Phase II clinical trial of IMM01 in combination with tislelizumab, targeting relapsed or refractory (R/R) classical Hodgkin lymphoma (cHL) patients who relapsed or progressed after the treatment of PD-1 inhibitors in December 2023. As of June 30, 2024, among 33 evaluable patients, 8 achieved complete response (CR), 14 achieved partial response (PR), resulting in an ORR of 66.7% and CRR of 24.2%. These results demonstrate encouraging antitumor efficacy, along with favorable tolerability and safety profiles. The data was orally presented at the 2024 ASCO Annual Meeting in June 2024.

- We have obtained approval from the National Medical Products Administration of the People's Republic of China (NMPA) for the protocol of the Phase III clinical trial of IMM01 in combination with tislelizumab in prior PD-(L) 1-refractory cHL in April 2024 and dosed the first patient on July 1, 2024.

- We have obtained an IND approval from NMPA for Phase III clinical trial of IMM01 in combination with azacitidine for the first-line treatment of higher-risk myelodysplastic syndrome (HR MDS) in May 2024.

- We have obtained an IND approval from NMPA for a Phase III clinical trial of IMM01 in combination with azacitidine for the first-line treatment of chronic myelomonocytic leukemia (CMML) in June 2024.

Progress of Other Selected Products

Clinical Stage Products

- *IMM0306 (CD47×CD20)*

  - We have dosed the first patient in the Phase Ib/IIa clinical trial, a combination study of IMM0306 and lenalidomide for R/R CD20-positive B-cell non-Hodgkin lymphoma (B-NHL) in June 2023. A total of 11 patients were enrolled in this Phase Ib dose escalation trial at two dose levels (1.6 mg/kg and 2.0 mg/kg). According to our clinical data as of June 30, 2024, IMM0306 at the dose of 1.6 mg/kg in combination with lenalidomide at 20mg/day was well-tolerated and demonstrated a robust preliminary antitumor activity in patients with R/R follicular lymphoma (FL) and marginal zone lymphoma (MZL). Among 11 efficacy-evaluable patients in the ongoing Phase Ib study, 3 CR (all FL) and 7 PR (5 FL, 2 MZL) were observed. The ORR and CRR were 90.9% and 27.3%, respectively. Among 6 efficacy-evaluable R/R FL patients in the Phase IIa trial, 4 CR and 2 PR were assessed by investigators by mid-July 2024. The ORR and CRR were 100% and 66.7%, respectively.

- *IMM2510 (VEGF×PD-L1)*

  - We have completed the enrollment of patients for the Phase I dose-escalation study of IMM2510 in September 2023. A total of 33 patients with advanced/metastatic solid tumors were enrolled and dosed. The recommended Phase II dose (RP2D) has been determined. The clinical data from the Phase I trial of IMM2510 has demonstrated tolerable safety and promising antitumor activity particularly for treatments of advanced solid tumors. As of June 30, 2024, we have observed three patients who confirmed PR and seven patients with SD and four of them had over 15% tumor shrinkage.

  - We dosed the first patient in the Phase Ib/II clinical trial of IMM2510 in China in November 2023. As of June 30, 2024, three patients were assessed PR by local investigator.

  - We received IND approval from the NMPA for a Phase I clinical trial of IMM2510 in combination with IMM27M for advanced solid tumors in October 2023. The IMM2510–002 study, a Phase Ib/II investigation of IMM2510 combined with IMM27M for the treatment of R/R solid tumors, was initiated in July 2024. The First patient was dosed on July 24, 2024.

- *IMM27M (CTLA-4 ADCC+)*

  - We have completed the enrollment of patients for the Phase I dose-escalation study of IMM27M in September 2023, and the preliminary data has demonstrated that IMM27M is safe and well tolerated. The RP2D has been determined. Two confirmed PRs were achieved in heavily treated advanced solid tumors patients.

- *IMM2520 (CD47×PD-L1)*

  - We have initiated the Phase I study of IMM2520 targeting various advanced solid tumors and dosed the first patient in March 2023. As of June 30, 2024, 24 patients have been enrolled and dosed. The preliminary data has demonstrated that IMM2520 is safe and well tolerated. One PR and two SDs with tumor shrinkage over 10% were achieved. We expect to complete this trial in 2024.

Preclinical/IND/IND-Enabling Stage Products

- *IMC-002*
    - We have obtained IND approvals for the treatment of systemic lupus erythematosus (SLE) and neuromyelitis optica spectrum disorders (NMOSDs) respectively in June 2024.
- *IMC-001*
    - IND-enabling study is currently ongoing for IMC-001 for the treatment of atherosclerosis.
- *IMC-003 (ACTRIIA fusion protein)*
    - We have completed the pilot efficacy study in rat model for pulmonary arterial hypertension (PAH).
    - We have observed preliminary efficacy of skeletal muscle increasement in mice.
    - CMC has been completed. The non-clinical study is ongoing.
- *IMC-004 (ACTRIIA×non-disclosed target bispecific molecule)*
    - We are proceeding with in vivo efficacy study and cell line development.

Business Development

On August 1, 2024, we have reached a license and collaboration agreement with SynBioTx Inc. ("**SynBioTx**"), a wholly-owned subsidiary of Instil Bio, Inc. (NASDAQ: TIL) (the "**License and Collaboration Agreement**"), pursuant to which SynBioTx will in-license the global rights (outside the Greater China region) to our proprietary PD-L1xVEGF bispecific molecule IMM2510, as well as our next-generation anti-CTLA-4 antibody (ADCC+) IMM27M. We have received an upfront payment of US$10 million and anticipate to receive potential near-term payments of up to US$40 million as well as potential additional development, regulatory, and commercial milestones payments of up to US$2.1 billion, plus single digit to low double-digit percentage royalties on global (outside the Greater China region) net sales. For further details, please refer to the announcements of the Company dated August 1, 2024 and August 22, 2024.

FINANCIAL HIGHLIGHTS

International Financial Reporting Standards ("IFRS") Measures:

- **Research and development expenses** decreased by 7.0% from RMB128.1 million for the six months ended June 30, 2023 to RMB119.1 million for the six months ended June 30, 2024, primarily attributable to (i) a decrease of RMB11.7 million in clinical trial expenses mainly due to the reduction of clinical CRO expenses, because of our costs saving and more involvement of our internal resources; and (ii) a decrease of RMB9.0 million in share-based payments, resulting from a decrease in the expenses recognised in accordance with IFRS for the six months ended June 30, 2024, partially offset by (i) an increase of RMB7.2 million in salaries and related benefit costs 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; and (ii) an increase of RMB4.6 million in preclinical and CMC expenses mainly due to the increase in CMC expenses for IMM0306 and IMM2510 because of the advancement of the research and development activities.

- **Loss for the period** was RMB165.8 million for the six months ended June 30, 2024, representing a decrease of RMB5.0 million from RMB170.8 million for the six months ended June 30, 2023, primarily attributable to the decrease of RMB9.0 million in research and development expenses as above mentioned.

Non-International Financial Reporting Standards ("Non-IFRS") Measures:

- **Adjusted loss for the period**[1] was RMB120.7 million for the six months ended June 30, 2024, representing an increase of RMB4.9 million from RMB115.8 million for the six months ended June 30, 2023, primarily attributable to the increase in administrative expenses (excluding the share-based payment expenses).

[1] Adjusted loss for the period is not a financial measure defined under the IFRS. It represents the loss for the period excluding the effect brought by certain loss/expenses, namely share-based payment expenses, impairment loss for property and equipment and listing expenses. For the calculation and reconciliation of this non-IFRS measure, please refer to "Management Discussion and Analysis — Financial Review — Non-IFRS Measure".

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

We are a science-driven biotechnology company dedicated to the development of innovative immuno-oncology therapies. Incorporated in 2015, we stand out as one of the few biotechnology companies globally adopting a systematic approach to harness both the innate and adaptive immune systems. Strictly adhering to the "Drug-by-Design" concept and leveraging our R&D platform, we have designed a robust pipeline of over ten innovative drug candidates with eight ongoing clinical programs. Anchored by a deep and broad innate-immunity-based asset portfolio, our pipeline reflects our extensive understanding into the frontiers of cancer biology and immunology, and our expertise in turning scientific research into drug candidates.

Product Pipeline

The following diagram summarizes the development status of our selected drug candidates as of the date of this announcement:

Notes:

(1) All of the Company's 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) This trial is 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).

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

Abbreviations: MDS refers to myelodysplastic syndrome; AML refers to acute myeloid leukemia; CMML refers to chronic myelomonocytic leukemia; B-NHL refers to B-cell non-Hodgkin lymphoma; STS refers to soft-tissue sarcomas; cHL refers to classical Hodgkin lymphoma; FL refers to follicular lymphoma; MZL refers to marginal zone lymphoma; IND refers to investigational new drug; CMC refers to chemistry, manufacturing, and controls; ADCC refers to antibody-dependent cellular cytotoxicity; TNBC refers to triple-negative breast cancer; NSCLC refers to non-small cell lung cancer; HCC refers to hepatocellular carcinoma; SLE refers to systemic lupus erythematosus; LN refers to lupus nephritis; MN refers to membranous nephropathy; NMOSD refers to neuromyelitis optica spectrum disorder; MG refers to myasthenia gravis; PAH refers to pulmonary arterial hypertension.

Business Review

Our Product Candidates

During the Reporting Period, we made significant progress advancing our pipeline candidates and business operations. Our key achievements and planned next steps as of the date of this announcement along include:

- *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 designed with IgG1 Fc can fully activate macrophages via a dual mechanism — simultaneously blocking the "don't eat me" signal by disrupting CD47/SIRPα interaction and delivering the "eat me" signal through the engagement of activating Fcγ receptors on macrophages. 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. Moving forward, we may actively explore IMM01's therapeutic potential in other indications and seek collaboration opportunities.

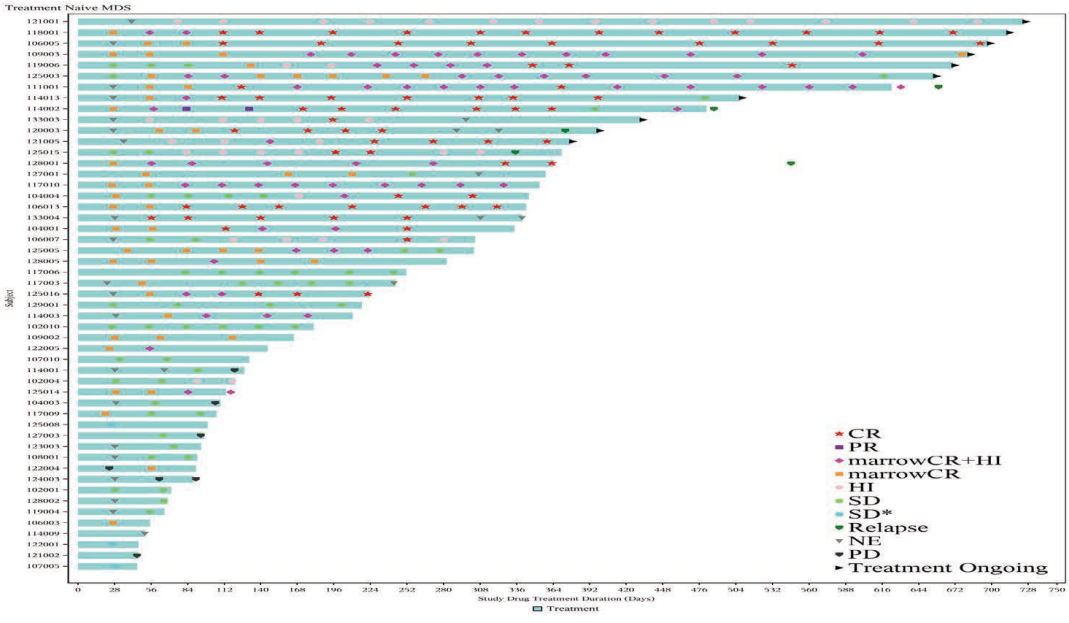
- During the Reporting Period and up to the date of this announcement, we have achieved the following progress and milestones:

  - Combination Therapy with Azacitidine

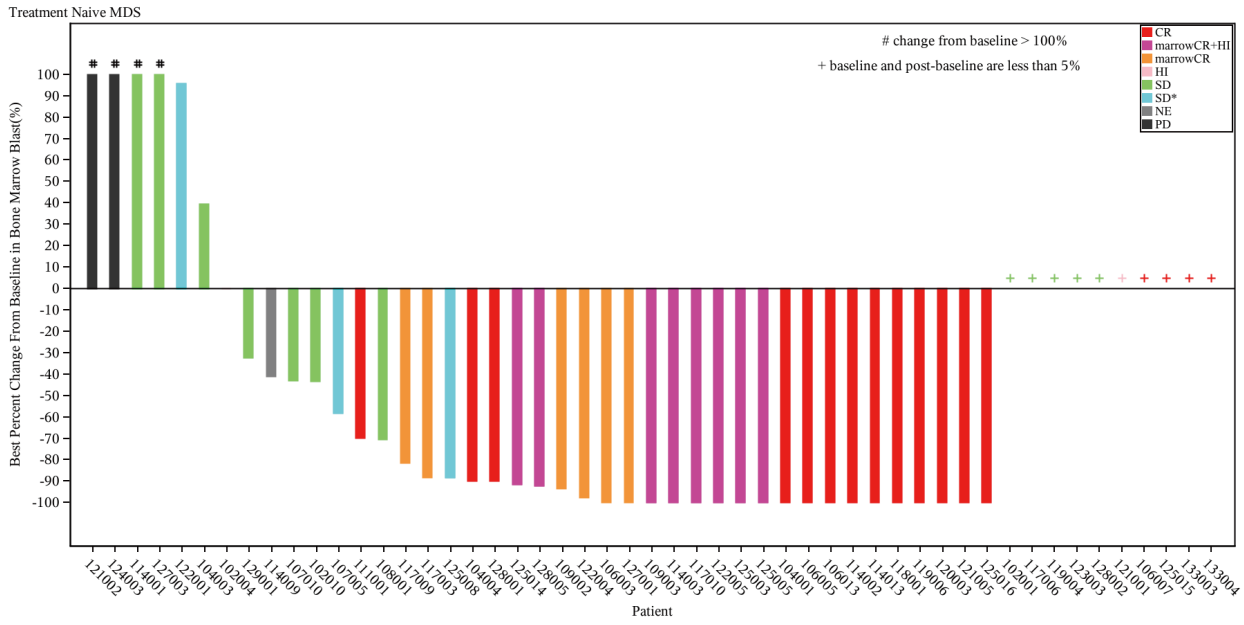
    - The FDA has granted an orphan-drug designation to IMM01 in combination with azacitidine for the treatment of CMML in November 2023.

    - We have completed the enrollment of patients for the Phase II clinical trial of IMM01 in combination with azacitidine for the first-line treatment of higher-risk MDS in June 2023. 57 patients were enrolled in the study. As of June 30, 2024, among the 51 efficacy evaluable patients, ORR was 64.7% (33/51), including 33.3% of patients (17/51) achieved CR, 15.7% of patients reached mCR with hematologic improvement (HI), 3.9% of patients reached HI and 11.8% of patients reached mCR alone. For patients treated for ≥ 4 months, the ORR reached 85.3% (29/34), and the CRR was 50.0% (17/34). Among patients treated for ≥ 6 months, the ORR reached 89.7% (26/29), and the CRR was 58.6% (17/29), demonstrating increasing efficacy with prolonged treatment duration. Without having to resort to priming dose, the Grade ≥3 hemolysis was rare (only 1.8%). IMM01 (without low-dose priming) combined with azacitidine were well tolerated and showed exciting efficacy results in patients with treatment-naive higher-risk MDS, as demonstrated in the diagram below:

Duration of Treatment and Best Response (1L HR-MDS)



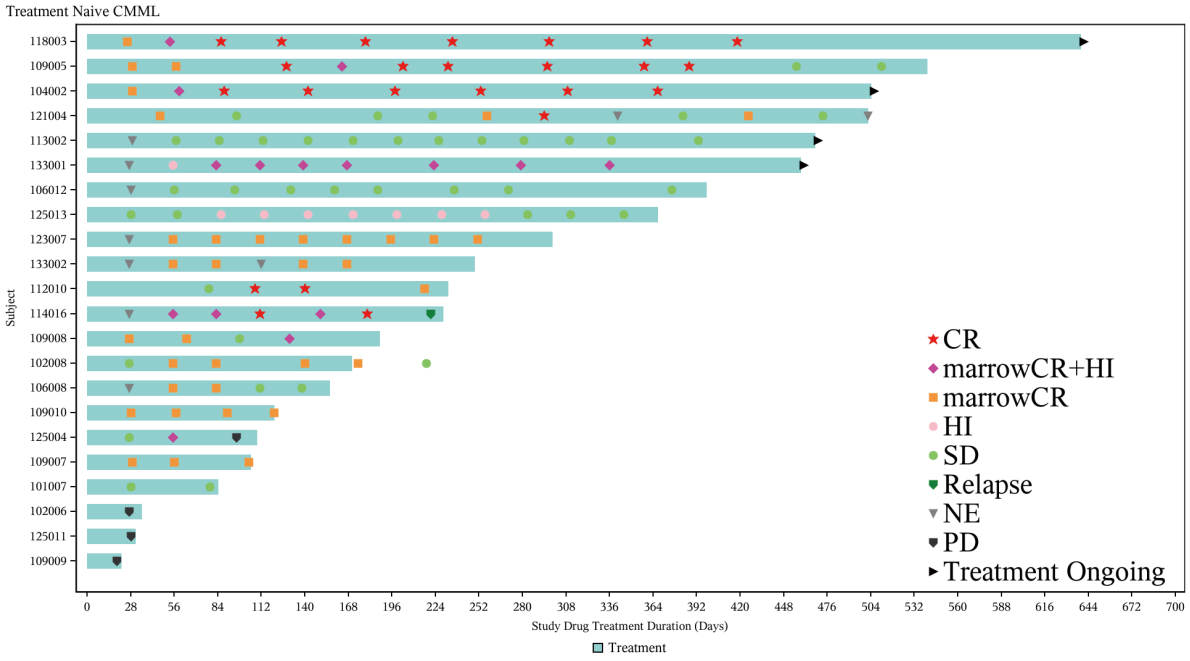
Best Percent Change from Baseline in the Blast Cells in the Bone Marrow (1L HR-MDS)



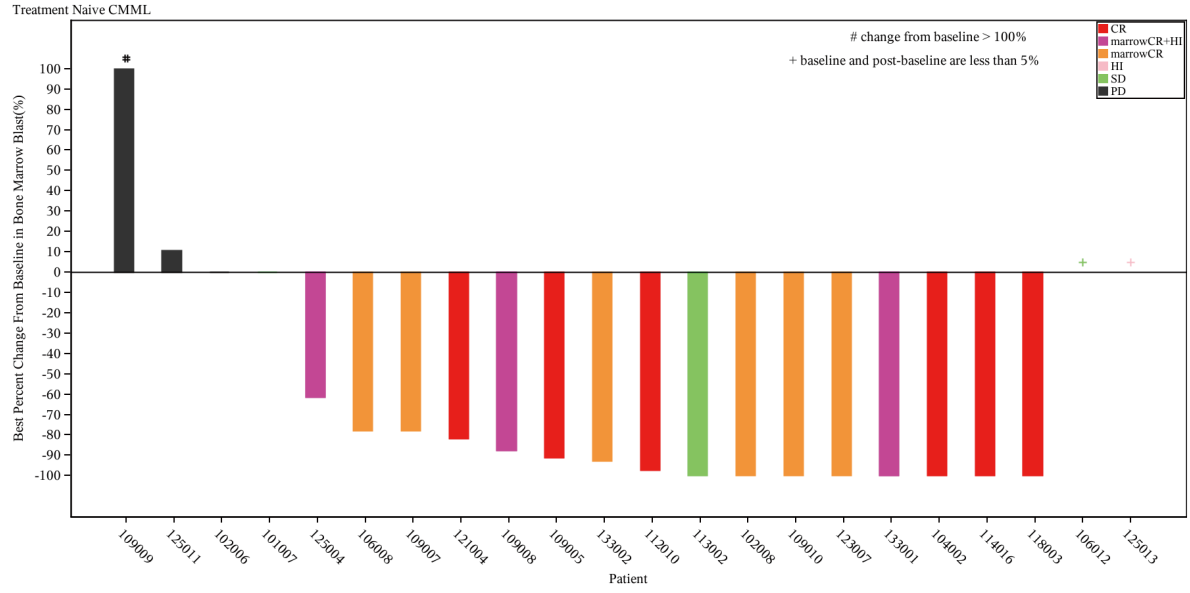
- A randomized, controlled, double-blind, multicenter, Phase III study (IMM01-009) of IMM01 (Timdarpacept) in combination with azacitidine in patients with newly diagnosed higher-risk MDS was approved by NMPA in May 2024.

- We completed the enrollment of patients for the Phase II clinical trial of IMM01 in combination with azacitidine for the first-line treatment of CMML in May 2023. 24 patients were enrolled. As of June 30, 2024, among the 22 efficacy evaluable patients, the ORR was 72.7% (16/22), including 27.3% of patients (6/22) achieved CR, 13.6% of patients reached marrow CR (mCR) with hematologic improvement (HI), 4.5% of patients reached HI and 27.3% of patients reached mCR alone. In patients treated for ≥ 4 months, the ORR reached 87.5% (14/16), and the CRR was 37.5% (6/16). Among patients treated for ≥ 6 months, the ORR reached 84.6% (11/13), and the CRR was 46.2% (6/13), revealing increasing efficacy with prolonged treatment duration. IMM01, without the use of low-dose priming, combined with azacitidine, was well tolerated in 1L CMML. The combination of IMM01 with azacitidine, showed exciting efficacy results for patients with treatment-naive CMML, as demonstrated in the diagram below:

Duration of Treatment and Best Response (1L CMML)



Best Percent Change from Baseline in the Blast Cells in the Bone Marrow (1L CMML)



- A randomized, controlled, double-blind, multicenter, Phase III study (IMM01–010) of IMM01 (Timdarpacept) in combination with azacitidine in patients with newly diagnosed CMML was approved by NMPA in May 2024.

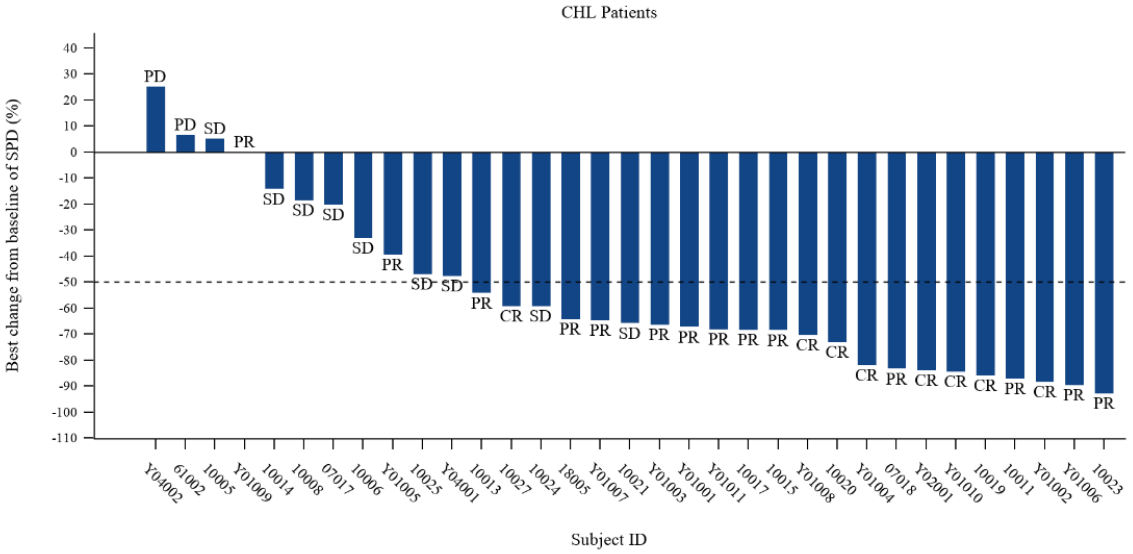
o Combination Therapy with Tislelizumab

- We had dosed the first patient for the Phase II clinical trial of IMM01 in combination with tislelizumab on January 19, 2023, targeting R/R cHL patients who relapsed or progressed after the treatment of PD-1 inhibitors, and completed the Phase II enrollment in December 2023. As of June 30, 2024, 33 cHL R/R patients were enrolled. Among 33 efficacy evaluable patients, 8 achieved CR, 14 achieved PR, resulting in an ORR of 66.7% and CRR of 24.2%, respectively. There was no reported hemolytic anemia or hemolysis in any of the patients. No patients experienced TRAEs leading to the study drug discontinuation or death. These results demonstrate encouraging antitumor efficacy, along with favorable tolerability and safety profiles.

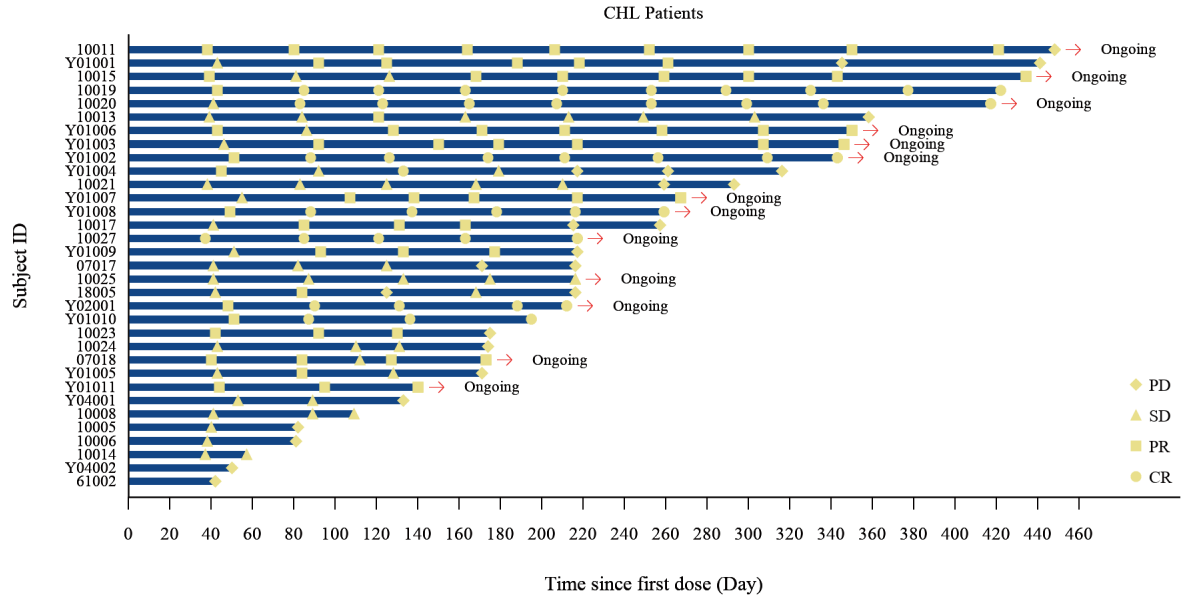
- We expect to complete the Phase II clinical trial in 2024. We received approval from the NMPA for the protocol of the Phase III clinical trial of IMM01 in combination with tislelizumab versus physician's choice chemotherapy in prior PD-(L) 1-refractory cHL in April 2024. The first patient in reached on July 1, 2024 in this phase III study.

- The following diagrams illustrate the interim efficacy data of the combination of IMM01 and tislelizumab as of June 30, 2024:

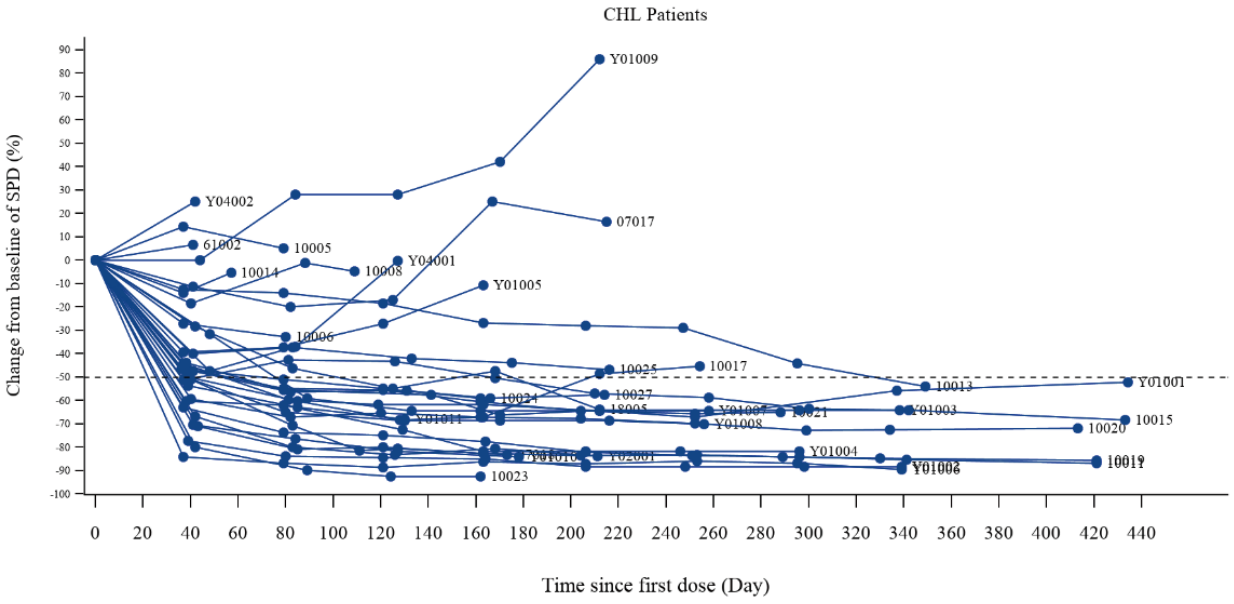
Best Percentage Change from Baseline in Target Lesion



Duration of Treatment and Response



Change in Target Lesion Tumor Size



- o Combination Therapy with Bortezomib and Dexamethasonum

  - We have 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.

- Potential Therapy for Treating Atherosclerosis

  - Based on solid scientific basis, IMM01 can also target atherosclerosis by blocking the CD47/SIRPα signaling pathway, and inducing macrophages to phagocytose the atherosclerotic plaque. IND-enabling study is currently ongoing for IMC-001 (IMM01) for the treatment of atherosclerosis.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that IMM01 will ultimately be successfully developed and marketed by our Company.

- *IMM0306 (CD47×CD20)*

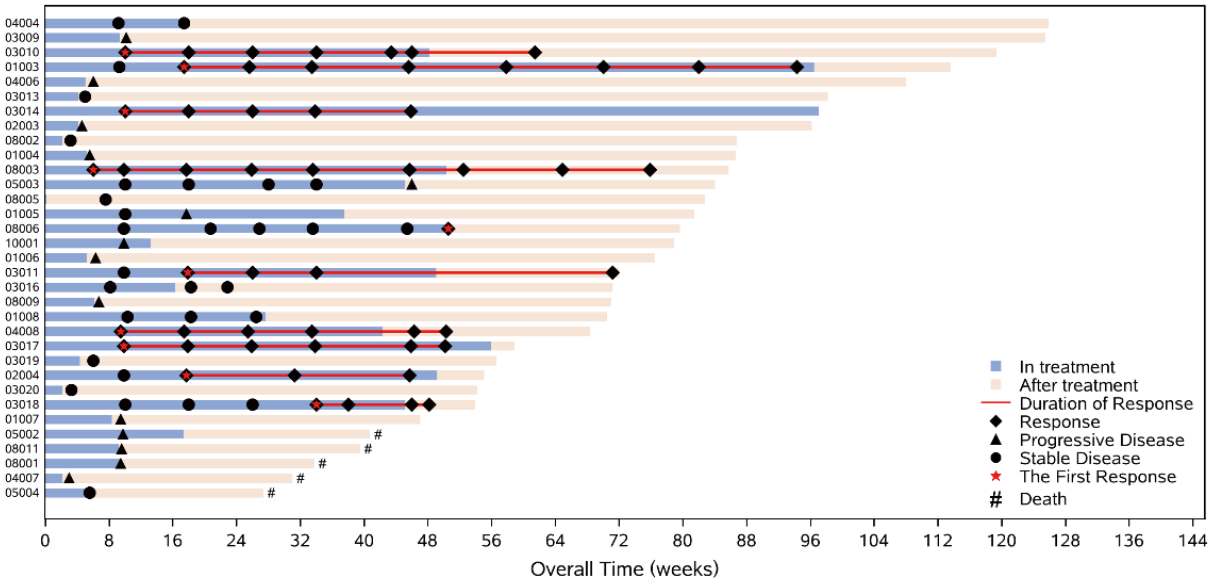
  - IMM0306 is a bispecific molecule that simultaneously targets both CD47 and CD20 and is the first CD47 and CD20 dual-targeting bispecific that has entered into clinical stage globally. Based on our mAb-Trap platform, we designed the molecule of IMM0306 to consist of the CD47-binding domain and an ADCC-enhanced IgG1 Fc fragment which is capable of inducing full macrophage activation and much improved ADCP and ADCC activity, resulting in strong antitumor immune responses.

  - During the Reporting Period and up to the date of this announcement, we have achieved the following progress and milestones:

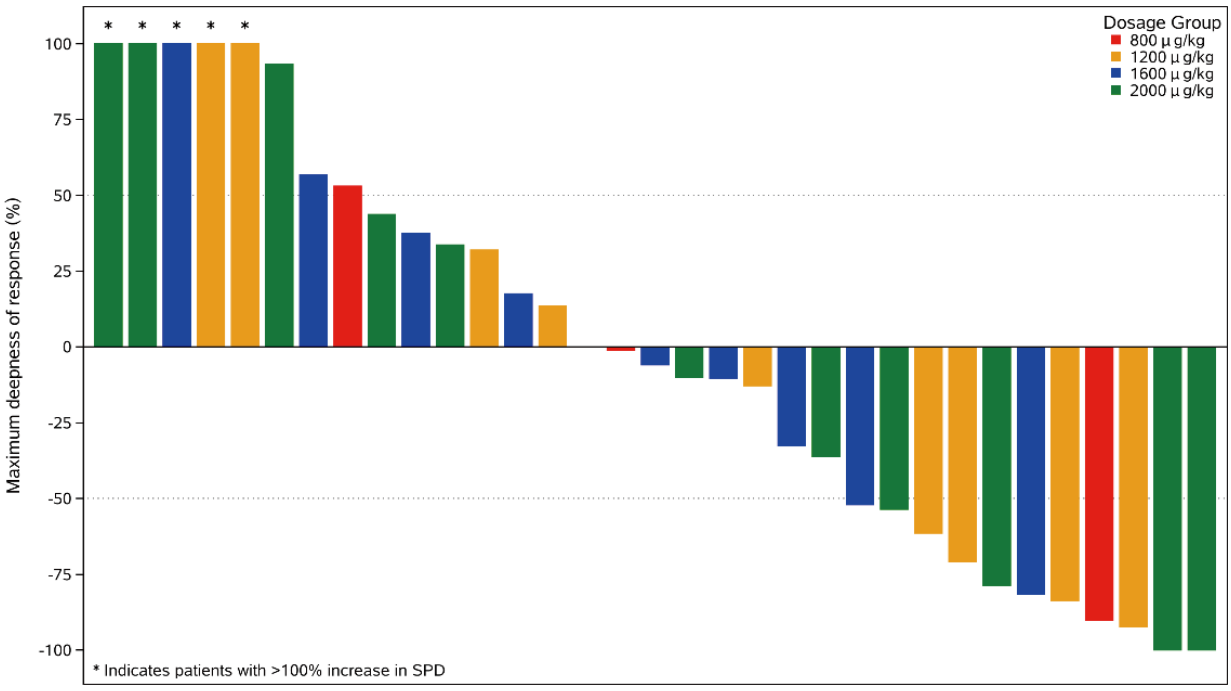
o Monotherapy

- As of June 30, 2024, 48 patients were enrolled. All patients received previous anti-CD20 therapy. No DLT observed. The RP2D was determined as 2.0 mg/kg. Among the patients who received active doses between 0.8 mg/kg and 2 mg/kg, 5 CR, 5 PR and 11 SD were observed. The following diagrams illustrate the interim efficacy data of the IMM0306 monotherapy:

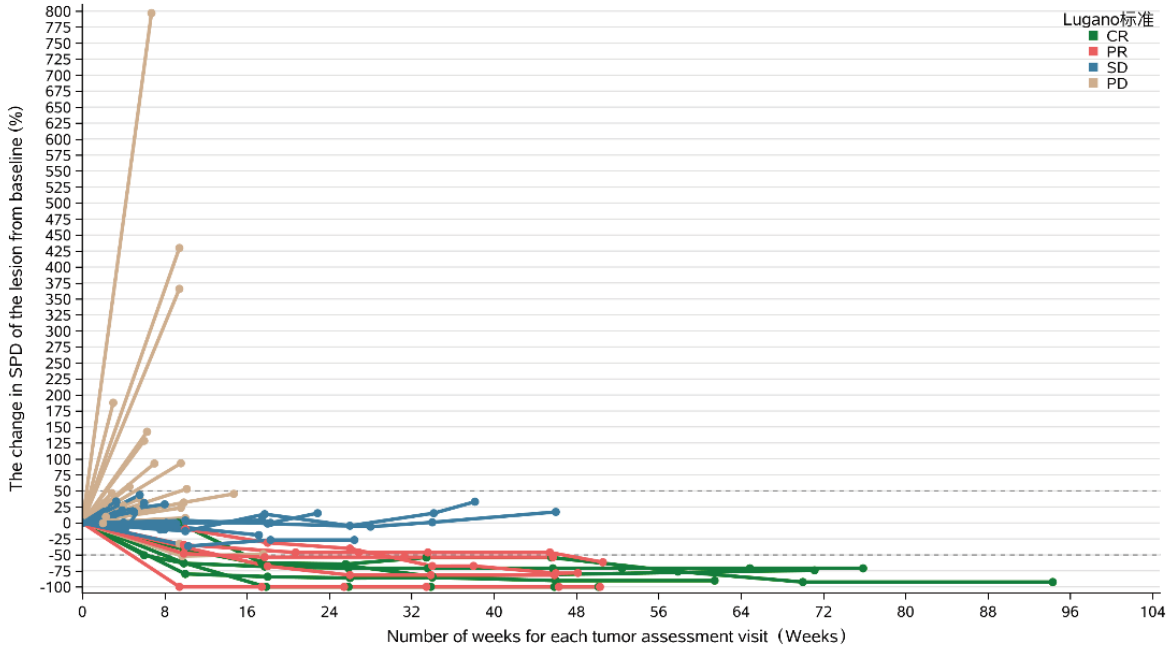
Duration of Treatment and Best Response



Best Percentage Change from Baseline in Target Lesion



Change in Target Lesion Tumor Size

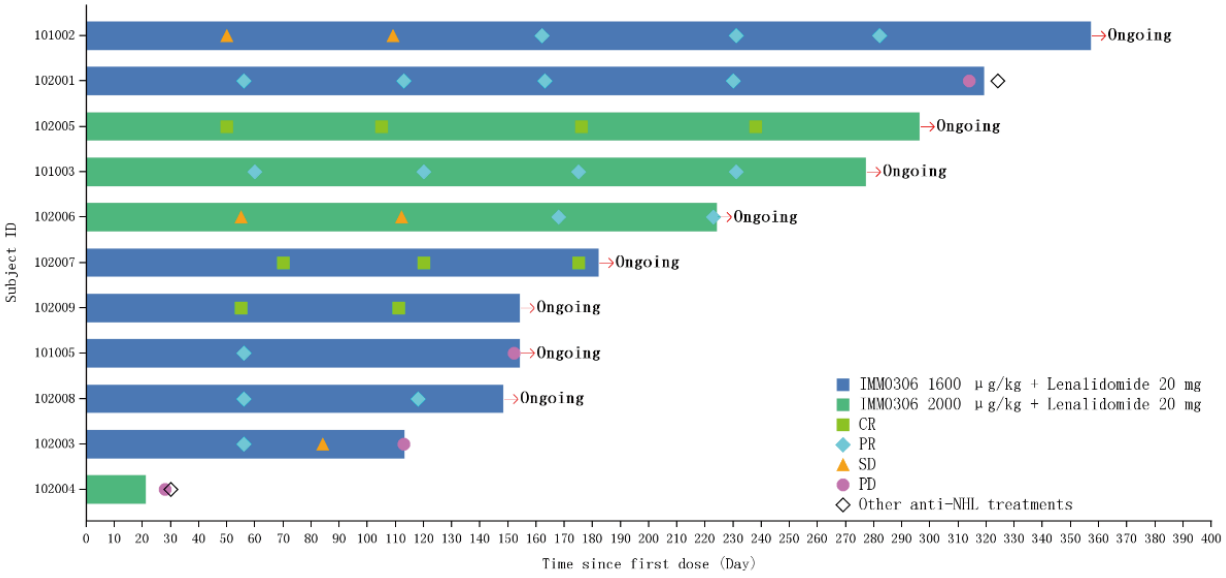


- We have completed the enrollment of patients for the Phase I trial and started the Phase II trial in the second quarter of 2023. Phase II study is currently ongoing.

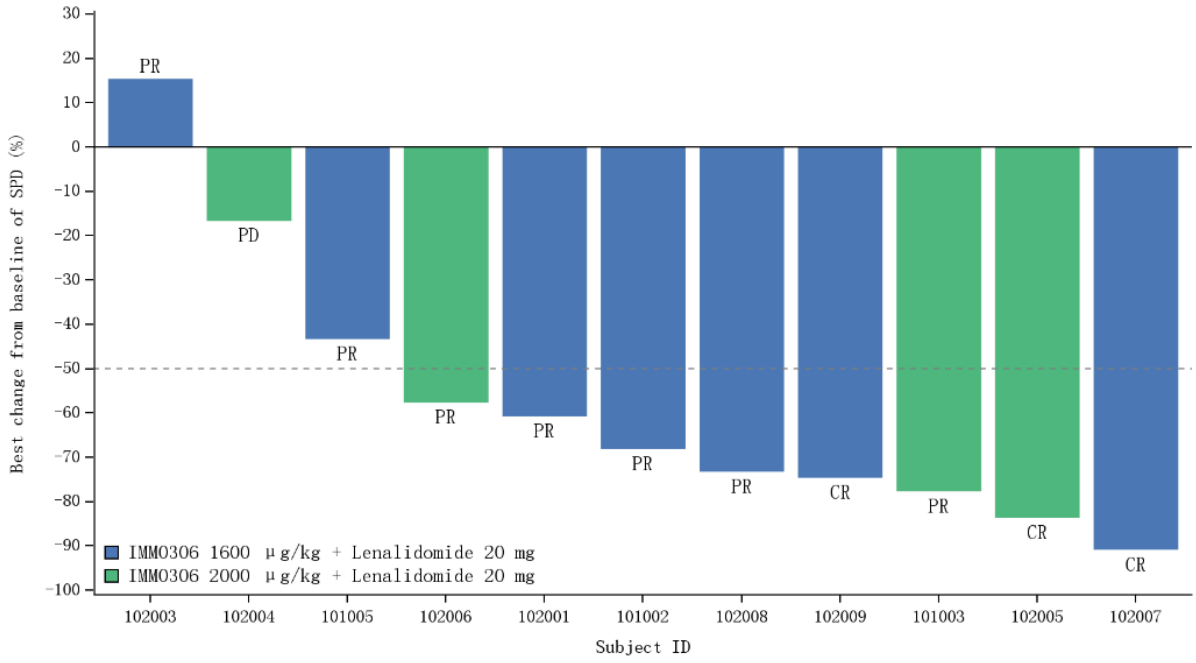
o Combination Therapy with Lenalidomide

- We dosed the first patient in the Phase Ib/IIa clinical trial, a combination study of IMM0306 and lenalidomide for R/R CD20-positive B-NHL in June 2023. A total of 11 patients were enrolled in this Phase Ib dose escalation trial at two dose levels (1.6 mg/kg and 2 mg/kg) and 8 patients were enrolled in Phase IIa. According to our clinical data as of June 30, 2024, IMM0306 at the dose of 1.6 mg/kg in combination with lenalidomide at 20 mg/day was well-tolerated and demonstrated robust antitumor activity in patients with R/R FL and MZL. Among 11 efficacy evaluable patients in the ongoing Phase Ib trial, 3 CR (all FL) and 7 PR (5 FL, 2 MZL) were observed. The ORR and CRR were 90.9% and 27.3%, respectively. Among 6 efficacy-evaluable R/R FL patients in the Phase IIa trial, 4 CR and 2 PR were assessed by investigators by mid-July 2024. The ORR and CRR were 100% and 66.7%, respectively. The following diagrams illustrate the interim efficacy data of the combination of IMM0306 and lenalidomide in Phase Ib trial:

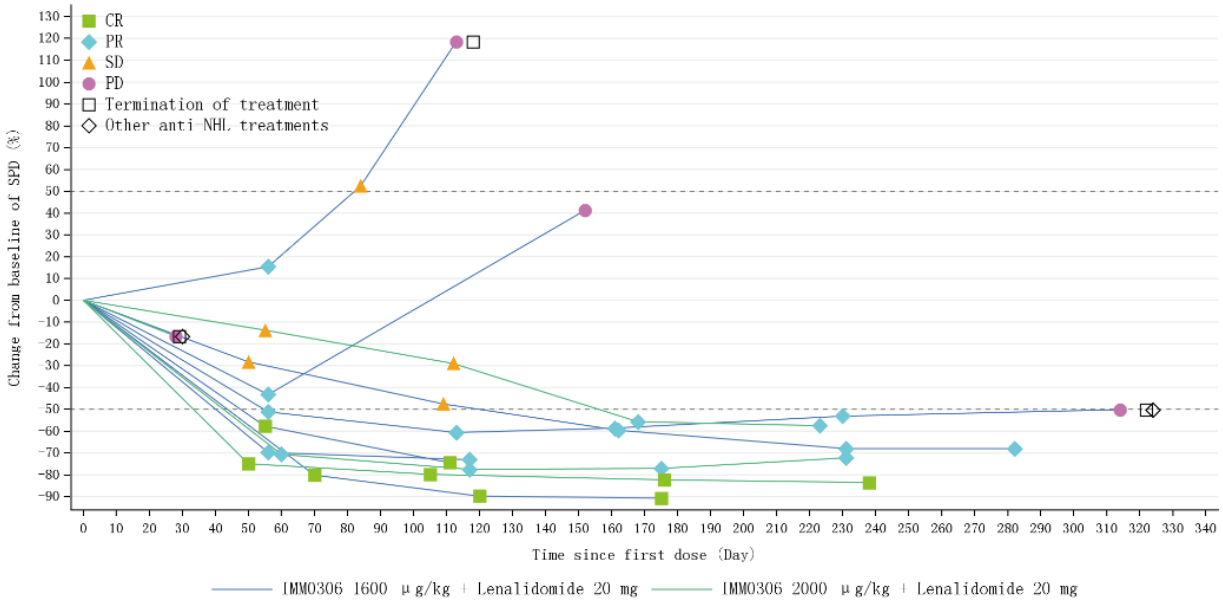
Duration of Treatment and Best Response in Phase Ib



Best Percentage Change from Baseline in Target Lesion in Phase Ib



Change in Target Lesion Tumor Size in Phase Ib



o Potential Therapy for Treating Autoimmune Diseases

- B-cell depletion observed in IMM0306 clinical studies serves as a strong basis for its treatment of autoimmune diseases. We have obtained relevant IND approvals in June 2024.

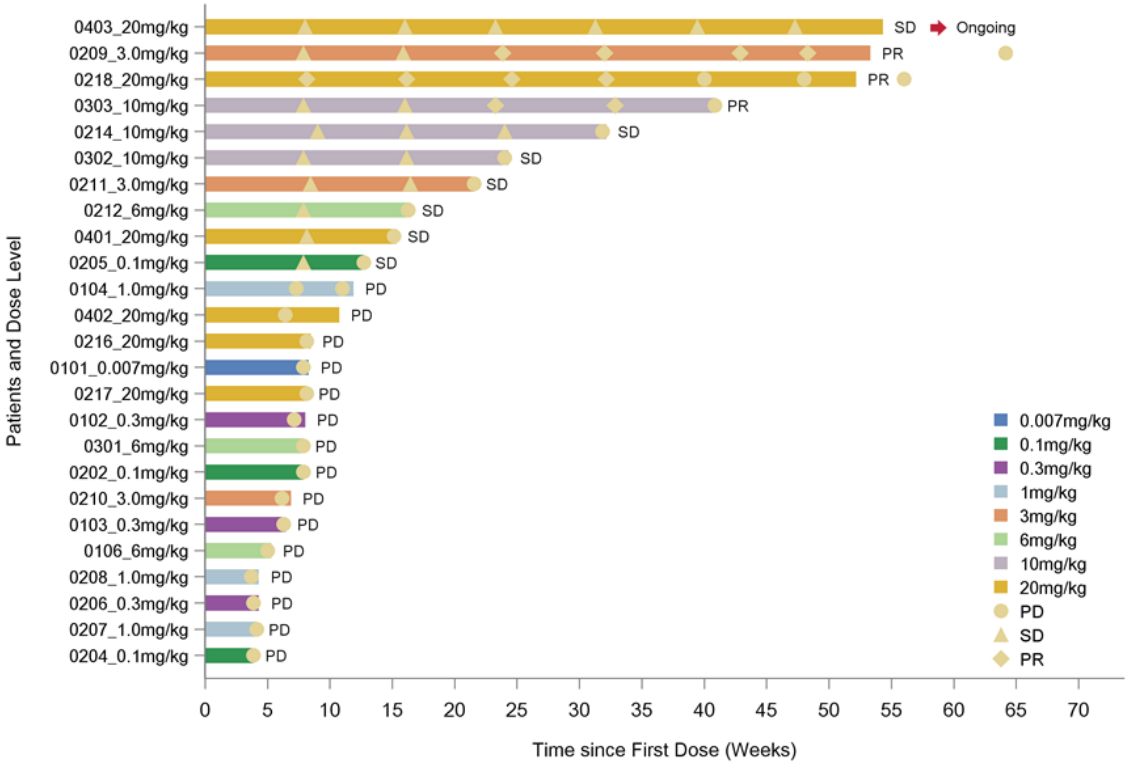
- *IMM2510 (VEGF×PD-L1)*

  - IMM2510 is a bispecific molecule with the mAb-Trap structure that targets VEGF and PD-L1 for the treatment of solid tumors. By targeting VEGF and PD-L1, IMM2510 is able to activate T-cell tumor killing activities and simultaneously inhibit tumor angiogenesis and tumor growth. Moreover, IMM2510 can also activate NK cells and macrophages through Fc-mediated ADCC/ADCP activities.

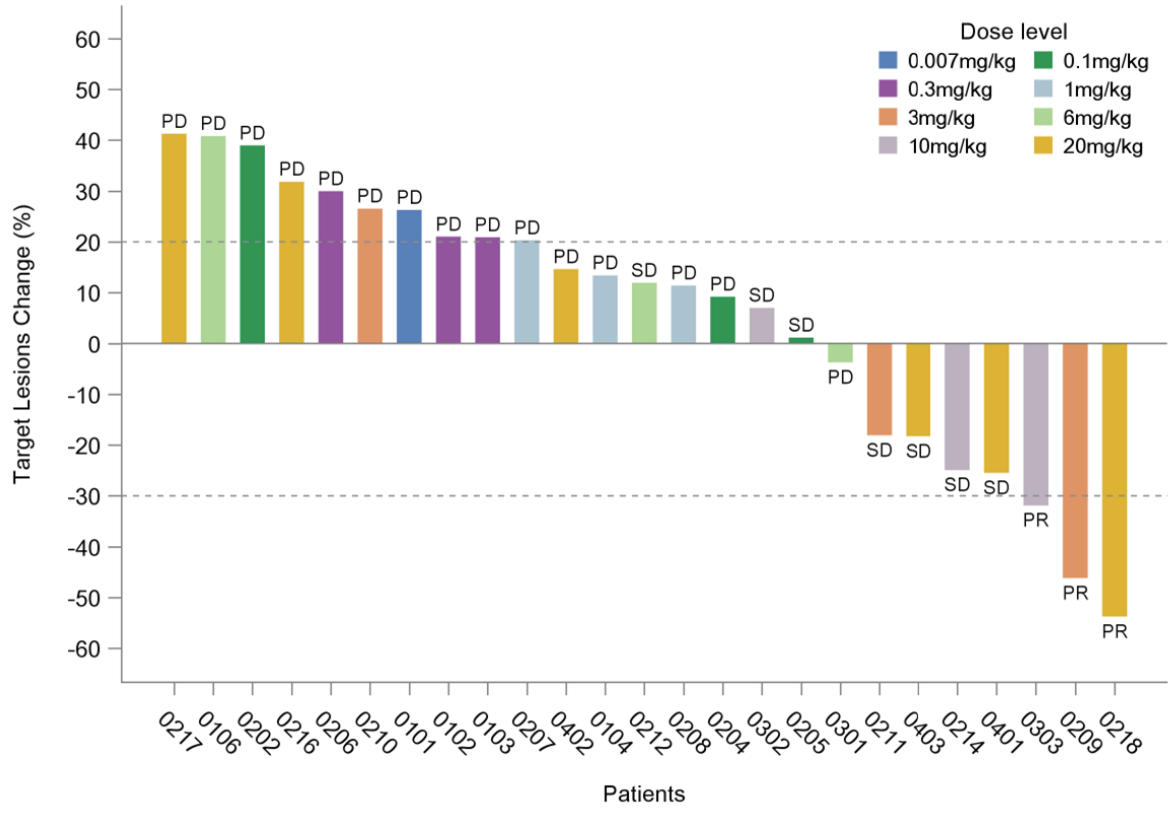
    - Monotherapy

      - We completed the enrollment of patients for the Phase I dose-escalation study of IMM2510 in September 2023. Total 33 patients with advanced/metastatic solid tumors were enrolled and dosed. There was no DLT observed. The RP2D has been determined. The clinical data as of June 30, 2024 from the Phase I trial of IMM2510 has demonstrated tolerable safety and promising antitumor activity. As of June 30, 2024, we have observed three patients who confirmed PR. We observed seven patients with SD and four of them had over 15% tumor shrinkage. The following diagrams illustrate the interim efficacy data of IMM2510 monotherapy:

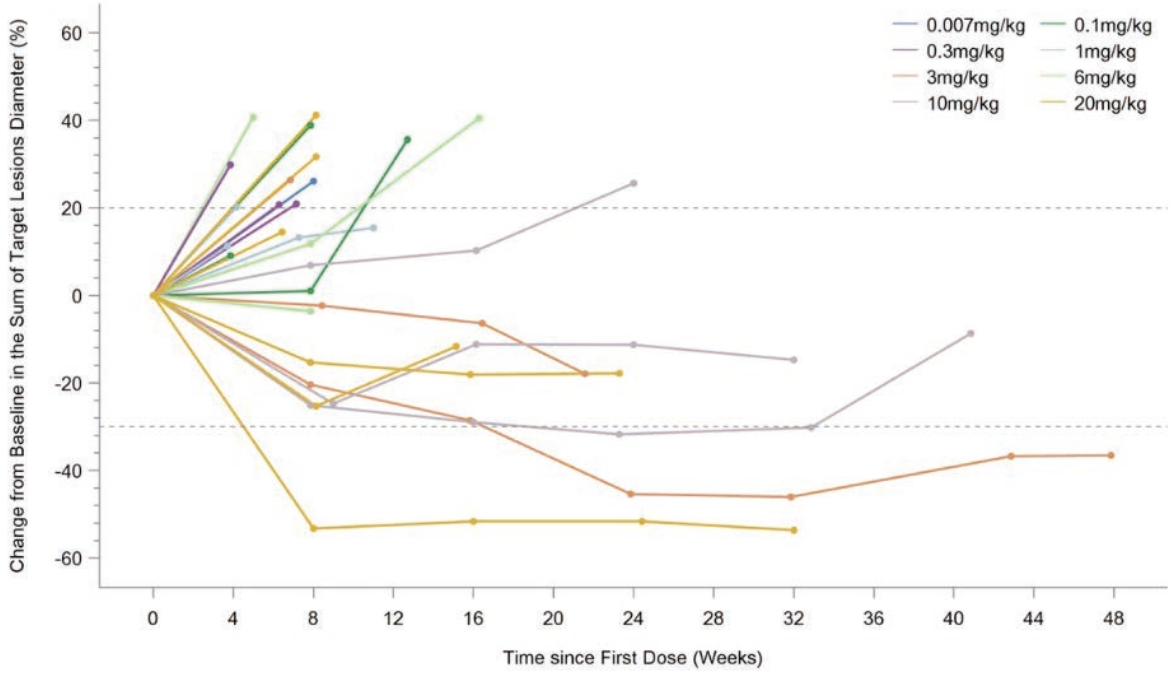
Duration of Treatment and Best Response



Best Percent Change from Baseline in Target Lesions



Change in Target Lesion Tumor Size



- We dosed the first patient in the Phase Ib/II clinical trial of IMM2510 in China in November 2023. As of June 30, 2024, three solid tumor patients were assessed PR by local investigator.

o Combination Therapy with Chemotherapy

- We have received IND approval from the NMPA for a Phase II clinical trial of IMM2510 in combination with chemotherapy for solid tumors in November 2023.

o Combination Therapy with IMM27M

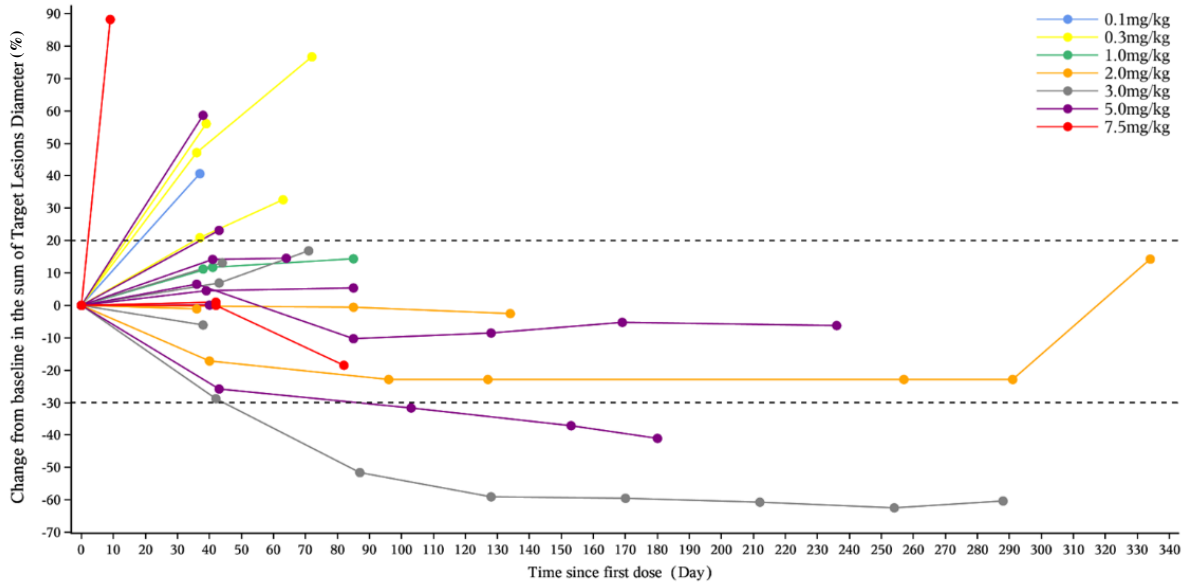
- We received IND approval from the NMPA for a Phase I clinical trial of IMM2510 in combination with IMM27M for advanced solid tumors in October 2023. The IMM2510-002 study (IMM2510+IMM27M phase Ib/II study for R/R solid tumor indication) was initiated in July 2024. First subject was dosed on July 24, 2024.

• *IMM27M (CTLA-4 ADCC-enhanced mAb)*

➢ IMM27M is a new generation CTLA-4 antibody with enhanced ADCC activity through genetic engineering modification. As a protein receptor that can be found on the activated T cells, CTLA-4 can downregulate immune responses by binding to CD80/CD86, its natural ligands found on the surface of antigen presenting cells, delivering inhibitory signal and thus suppressing T-cell immune function. CTLA-4 antibodies can block the interaction between CTLA-4 and CD80/CD86, and thus enhance immune responses of T cells to tumor antigens.

➢ We have completed the enrollment of patients for the Phase I dose-escalation study of IMM27M in September 2023, and the preliminary data has demonstrated that IMM27M is safe and well tolerated. There was no DLT observed. The RP2D has been determined. In the Phase I dose-escalation study, we have observed 2 confirmed PRs, by June 30, 2024. We have also observed 3 SDs with tumor shrinkage. The following diagram illustrates the interim efficacy data of the IMM27M:

Change from Baseline in the Sum of Target Lesions



- *IMM2520 (CD47×PD-L1)*

  - IMM2520 is a CD47 and PD-L1 dual-targeting bispecific molecule for the treatment of solid tumors. IMM2520 consists of a PD-L1 antibody with an engineered ADCC-enhanced IgG1 Fc region, linked to the same CD47-binding domain used in IMM01 at the N-terminus of heavy chains. This unique structure allows our CD47-based bispecific molecules to avoid RBC binding, thus enabling the adoption of an ADCC-enhanced IgG1 Fc fragment to fully activate macrophages and induce enhanced ADCP and ADCC activity, resulting in potent integrated antitumor immune responses.

  - We have dosed the first patient at 0.1 mg/kg dose level on March 23, 2023 in the Phase I study of IMM2520 targeting solid tumor indications, with a particular focus on those solid tumors generally resistant or not sensitive to the currently available immunotherapies. As of June 30, 2024, 24 patients in total have been enrolled and dosed. Preliminary data has demonstrated that IMM2520 is safe and well tolerated. As of June 30, 2024, one PR has been observed. We have observed 2 SDs with over 10% tumor shrinkage. We expect to complete this trial in 2024. 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.

- *IMM2902 (CD47×HER2)*

  - IMM2902 is an innovative bispecific molecule targeting CD47 and HER2 simultaneously. With its unique structural design with the engineered CD47-binding fragment connected to the N-terminus of light chains, our IMM2902 shows no RBC binding in vitro, and is able to adopt an ADCC-enhanced IgG1 Fc fragment capable of inducing full macrophage activation, enhanced ADCP and ADCC activity, and potent antitumor immune responses.

  - We have initiated a Phase Ia/Ib trial for IMM2902 in advanced HER2-positive and HER2-low expressing solid tumors in China in February 2022. Three patients have been enrolled in the 8th cohort at 5.0mg/kg (step-up dose regimen) in the phase of dose escalation.

  - 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. Dose escalation is still on-going. Moreover, we have received Fast Track Designation from the FDA for breast cancer in July 2022.

- *IMM47 (CD24 mAb)*

  - IMM47 is a CD24-targeted humanized antibody we internally screened and developed with global first-in-class potential for the treatment of solid tumors. CD24 is widely expressed in numerous types of solid tumors, including BC, NSCLC, CRC, HCC, RCC and OC, and has been recognized as an important marker for poor prognosis of those cancers, presenting a huge market potential in a broad-spectrum application. With a high affinity for CD24, IMM47 is able to suppress the CD24/Siglec-10 inhibitory signals sent to macrophages, NK cells and T cells. With its ADCC-enhanced IgG1 Fc, IMM47 can potently activate macrophage and NK cell-immune responses through ADCP and ADCC. It has also been shown to significantly increase the amount of M1 macrophages in tumor tissues in our in vivo proof-of-concept studies. IMM47 can also activate and promote T-cell response likely through tumor antigen presentation by activated macrophages to T cells and direct blockade of CD24/Siglec-10 inhibitory signals. We have obtained an IND approval for IMM47 for the treatment of advanced malignant tumors from the NMPA and advanced solid tumors and lymphoma from FDA in October and December 2023, respectively.

  - We have dosed the first patient for the Phase I clinical trial of IMM47 in Australia in September 2023.

During the past year, we have also expanded our early research and development efforts into non-oncology therapeutic areas, and achieved significant progress, including:

- *IMC-002 (IMM0306)*

  - IMC-002 is a bispecific molecule targeting both cluster of differentiation 47 (CD47) and cluster of differentiation 20 (CD20). We have obtained IND approvals for the treatment of systemic lupus erythematosus (SLE) and neuromyelitis optica spectrum disorders (NMOSDs) respectively in June 2024.

- *IMC-001 (IMM01)*

  - IMC-001 is an innovative molecule targeting cluster of differentiation 47 (CD47). It is the first SIRPα-Fc fusion protein to enter into clinical stage in China. IND-enabling study is currently ongoing for IMC-001 (IMM01) for the treatment of atherosclerosis.

- *IMC-003 (ACTRIIA fusion protein)*

  - IMC-003 is a new generation ACTRIIA fusion protein through genetic engineering modification with better activity and quality attributes than sotatercept. We have completed the pilot efficacy study in rat mode for PAH. We have observed preliminary efficacy of skeletal muscle increasement in mice. Currently, CMC has been completed, non-clinical study is ongoing, and we expect to file IND in one year.

- *IMC-004 (ACTRIIA×non-disclosed target bispecific molecule)*

  - IMC-004 is a bispecific antibody targeting ACTRIIA and a non-disclosed target, which can be used for the treatment of patients with osteoporosis and increase of muscle mass in patients. We are proceeding with in vivo efficacy study and cell line development.

- *IMM67 (recombinant human hyaluronidase)*

  - IMM67 is a recombinant human hyaluronidase engineered and expressed by mammalian cells. Our IMM67 can locally degrade hyaluronan in the subcutaneous space and remove the barrier to fluid flow temporarily, and thus overcome volume limitation to subcutaneous injection. We have completed the CMC of IMM67 as a pharmaceutical excipient. Non-clinical study is currently in progress, with registration filing to the NMPA anticipated by the first quarter of 2025.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that IMM0306, IMM2510, IMM27M, IMM2520, IMM2902, IMM47, IMC-002, IMC-001, IMC-003, IMC-004 and IMM67 will ultimately be successfully developed and marketed by our Company.

Business Development

On August 1, 2024, the Company and SynBioTx Inc. ("**SynBioTx**"), a wholly-owned subsidiary of Instil Bio, Inc. (NASDAQ: TIL), have entered into a license and collaboration agreement, pursuant to which the Company agreed to grant SynBioTx an exclusive license to research, develop and commercialize IMM2510 and IMM27M, outside the Greater China region, including mainland China, Hong Kong Special Administrative Region of China, Macau Special Administrative Region of China and Taiwan.

The Company has received an upfront payment of US$10 million and anticipates to receive potential near-term payments of up to US$40 million, as well as milestone payments of up to US$2.1 billion in commercial, development and regulatory milestones (including up to US$270 million in longer term development and regulatory milestones and up to US$1.8 billion in commercial milestones) plus single-digit to low double digit percentage royalties on global net sales outside the Greater China Region.

Future and Outlook

Looking forward to the second half of 2024, we will continue to advance the development of our drug candidates to unleash their therapeutic potential and address substantial unmet medical needs. We will follow a stepwise clinical development strategy to evaluate our drug candidates and expand their clinical application. In addition, we plan to expand our overseas footprint and develop immuno-oncology therapies to fully grasp tremendous market opportunities. We expect to rapidly advance clinical studies in China, and may subsequently utilize the China data to accelerate the clinical progress in other markets in order to save the time and costs of clinical development globally. Also, we will continue to single out and evaluate other innate immune checkpoints and enrich our pipeline with novel therapies.

Cautionary Statement under Rule 18A.08(3) of the Listing Rules: Our Company cannot guarantee that it will be able to successfully develop or ultimately market our Core Product.

FINANCIAL REVIEW

Revenue

	The period ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
Revenue from sales of cell strain and other products	**49**	86
Revenue from testing services	**28**	—
Total	**77**	86

For the six months ended June 30, 2024 and 2023, our Group recorded revenue of RMB77 thousand and RMB86 thousand, respectively. Our revenue was generated from sales of cell strain and other products, and provision of testing services. Our revenue generated from sales of cell strain and other products mainly represents the income from selling cell lines and growth medium developed by us. Our revenue generated from testing services mainly represents the income from providing testing assays through fee-for-service contracts.

Other Income

	The period ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
Government grants	**642**	1,038
Bank interest income	**3,635**	5,279
Others	**—**	42
Total	**4,277**	6,359

Our other income decreased from RMB6.4 million for the six months ended June 30, 2023 to RMB4.3 million during the period ended June 30, 2024, primarily attributable to a decrease of bank interest income of RMB1.6 million and a decrease in government grants of RMB0.4 million.

Other Gains and Losses, Net

	The period ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
Gain from changes in fair value of financial assets at FVTPL	**6,540**	324
Net foreign exchange gains	**1,378**	5,800
Impairment loss for property and equipment	**(27,398)**	—
Others	**(7)**	(18)
Total	**(19,487)**	6,106

Our other gains and losses, net changed from gains of RMB6.1 million for the six months ended June 30, 2023 to losses of RMB19.5 million for the six months ended June 30, 2024, which was mainly attributable to an increase of RMB27.4 million in impairment loss for property and equipment in accordance with IAS 36 *Impairment of Assets*, which was partially offset by an increase of RMB6.2 million in gain from changes in fair value of financial assets at FVTPL from the wealth management products.

Research and Development Expenses

	The period ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
Preclinical and CMC expenses	**17,495**	12,895
Clinical trial expenses	**41,499**	53,180
Salaries and related benefit costs	**33,272**	26,032
Costs of materials and consumables	**7,810**	7,331
Share-based payments	**9,182**	18,206
Depreciation expenses	**6,877**	6,944
Others	**3,003**	3,498
Total	**119,138**	128,086

Our research and development expenses consisted of (i) preclinical and CMC expenses, mostly resulting from the engagement of CROs, CDMOs and other service providers to conduct preclinical studies and CMC on our behalf; (ii) clinical trial expenses for our drug candidates, including expenses with respect to the engagement of clinical trial sites and principal investigators, as well as other expenses incurred in connection with our clinical trials; (iii) salaries and related benefit costs (exclusive of non-cash share-based payments) for our research and development activities; (iv) costs of materials and consumables, primarily representing expenses for procuring materials and consumables used to support our preclinical studies and clinical trials; (v) non-cash share-based payments for our research and development functions; (vi) depreciation expenses, mainly including depreciation expenses for right-of-use assets, property and equipment used for research and development purposes; and (vii) others, including utilities, travelling and transportation expenses and other miscellaneous expenses.

Our research and development expenses decreased by 7.0% from RMB128.1 million for the six months ended June 30, 2023 to RMB119.1 million for the six months ended June 30, 2024, primarily due to (i) a decrease of RMB11.7 million in clinical trial expenses mainly due to the reduction of clinical CRO expenses, because of our costs saving and more involvement of our internal resources; and (ii) a decrease of RMB9.0 million in share-based payments, resulting from a decrease in the expenses recognised in accordance with IFRS for the six months ended June 30, 2024, partially offset by (i) an increase of RMB7.2 million in salaries and related benefit costs 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; and (ii) an increase of RMB4.6 million in preclinical and CMC expenses mainly due to the increase in CMC expenses for IMM0306 and IMM2510 because of the advancement of the research and development activities.

Administrative Expenses

Our administrative expenses decreased by 27.1% from RMB41.3 million for the six months ended June 30, 2023 to RMB30.1 million for the six months ended June 30, 2024, which was mainly caused by the decrease of non-cash share-based payments, resulting from a decrease in the expenses recognised in accordance with IFRS for the six months ended June 30, 2024.

Finance Costs

Our finance costs increased from RMB0.6 million for the six months ended June 30, 2023 to RMB1.4 million for the six months ended June 30, 2024, primarily due to the increase in interest on borrowings.

Income Tax Expense

We recognized no income tax expenses for the six months ended June 30, 2023 and 2024.

Loss for the Period

Based on the factors described above, the Group's loss decreased from RMB170.8 million for the six months ended June 30, 2023 to RMB165.8 million for the six months ended June 30, 2024.

Non-IFRS Measure

To supplement our condensed 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/(gains), including share-based payments, impairment loss for property and equipment and listing expenses. Such non-IFRS measure allows investors to consider metrics used by our management in evaluating our performance.

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.

The table below sets forth a reconciliation of the loss to adjusted loss during the periods indicated:

	The period ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
Loss for the period	**(165,760)**	(170,830)
Added:		
Share-based payment expenses	**17,701**	41,602
Impairment loss for property and equipment	**27,398**	—
Listing expenses	**—**	13,409
Adjusted loss for the period	**(120,661)**	(115,819)

Material Acquisitions and Disposals

During the Reporting Period, our Group did not have any material acquisitions or disposals of subsidiaries, associates, and joint ventures.

Capital Structure, Liquidity and Financial Resources

As of June 30, 2024, our cash and cash equivalents, which were primarily denominated in USD, HKD and RMB, term deposits and financial assets at fair value through profit or loss were RMB513.0 million aggregately, as compared to RMB608.6 million as of December 31, 2023. The decrease was primarily attributed to cash outflows used in our daily business operation and our research and development activities during the Reporting Period.

As of June 30, 2024, our current assets were RMB582.6 million, including financial assets at fair value through profit or loss of RMB266.2 million, cash and cash equivalents of RMB246.8 million, and prepayments and other receivables of RMB69.5 million. As of June 30, 2024, our current liabilities were RMB119.8 million, including trade and other payables of RMB45.3 million, lease liabilities of RMB3.5 million and borrowings of RMB71.0 million.

During the period ended June 30, 2024, net cash used in operating activities of our Group amounted to RMB123.0 million, representing a decrease of RMB9.4 million compared to RMB132.4 million during the period ended June 30, 2023. The decrease was mainly due to the decrease of payments for research and development expenses.

During the period ended June 30, 2024, our net cash generated from investing activities was RMB40.3 million, compared to the net cash flows used in investing activities of RMB38.4 million for the six months ended June 30, 2023. This change was mainly due to withdrawal of time deposits with maturity over three months.

During the period ended June 30, 2024, net cash generated from financing activities of our Group decreased to RMB21.5 million from RMB25.6 million during the period ended June 30, 2023. The decrease was mainly due to the net decrease of bank loans raised.

As of June 30, 2024, the Group had available unutilized bank loan facilities of approximately RMB90.0 million.

As part of our treasury management, we invested in certain term deposits, wealth management products and structured deposits to better utilize excess cash when our cash sufficiently covered our ordinary course of business. We have implemented a series of internal control policies and rules setting forth overall principles as well as detailed approval process for our treasury management activities. Going forward, we believe our liquidity requirements will be satisfied by a combination of net proceeds from the Global Offering, funds received from potential collaboration arrangements and cash generated from our operations after the commercialization of our drug candidates.

Gearing Ratio

The gearing ratio (calculated by total liabilities divided by total assets) of the Group as of June 30, 2024 was 19.2%, representing an increase of 4.8% from the gearing ratio of 14.4% as at December 31, 2023, primarily due to an increase in our total liabilities, mainly resulting from an increase of RMB26.0 million in our bank borrowings.

Indebtedness

As of June 30, 2024, we had unsecured bank borrowings of RMB86.0 million, as compared to RMB60.0 million as of December 31, 2023. All of our bank borrowings were at fixed rate, with interest rates ranging from 3.00% to 3.60% as of June 30, 2024.

Our lease liabilities stayed relatively stable at RMB14.8 million as of December 31, 2023 and RMB11.7 million as of June 30, 2024.

Capital Commitments

As of June 30, 2024, we had capital commitments contracted, but not yet provided, of RMB0.2 million. As of December 31, 2023, our Group had capital commitments contracted, but not yet provided, of RMB6.0 million. Such capital commitments reflected capital expenditure we contracted for but not provided in the condensed consolidated financial statements in respect of acquisition of property and equipment.

Contingent Liabilities

As of June 30, 2024, our Group did not have any contingent liabilities.

Pledge of Assets

There was no pledge of our Group's assets as of June 30, 2024.

Foreign Exchange Exposure

Certain financial assets and liabilities of the Group are denominated in foreign currency of respective Group entities which are exposed to foreign currency risk. We currently do not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Significant Investments Held

During the Reporting Period, we held four redeemable wealth management products of structured notes (the "**Wealth Management Products**") subscribed for using our internal surplus cash reserves, from four different reputable institutions, including GF Securities (Hong Kong) Brokerage Limited (廣發証券(香港)經紀有限公司), Shenwan Hongyuan Securities (H.K.) Limited (申萬宏源證券(香港)有限公司), China Securities (International) Asset Management Company Limited (中信建投(國際)資產管理有限公司) and Huatai Financial Holdings (Hong Kong) Limited (華泰金融控股(香港)有限公司), with effective date of subscription of September 18, 2023, September 15, 2023, September 20, 2023 and November 10, 2023, respectively, which recorded a gain on changes in fair value for the Reporting Period of RMB2,600,000, RMB826,000, RMB956,000 and RMB930,000, respectively. Each of the Wealth Management Products has a term for one year, and carries an expected annualized rate of return of 1.5%–4.5%. Such Wealth Management Products had the fair value as of June 30, 2024 of RMB126,512,000, RMB46,918,000, RMB46,386,000 and RMB46,373,000, respectively, each of which accounts for 5% or more of the Group's total assets as of June 30, 2024. For further details, please refer to the Company's announcements dated September 13, 2023 and March 25, 2024. We believe that appropriate wealth management with low risk exposure is conducive to enhancing the utilization of capital and increasing income from idle funds of the Group, and that diversified, readily redeemable investments in cash management products are conducive to enhancing the safety and flexibility of our cash management.

Saved as disclosed above, the Group did not hold any significant investments during the Reporting Period.

Employees and Remuneration Policies

As at June 30, 2024, our Group had 150 employees in total. The total remuneration costs amounted to RMB60.8 million for the six months ended June 30, 2024, as compared to RMB80.1 million for the six months ended June 30, 2023. The decrease in total remuneration was mainly due to the decrease in non-cash share-based payments for the six months ended June 30, 2024.

We provide various incentives and benefits for our employees. We offer competitive salaries, bonuses and share-based compensation to our employees, especially key employees. 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 in accordance with applicable laws. In recognition of the contributions of our employees and to incentivize them to further promote our development, the Company approved and adopted the employee incentive plans on January 31, 2021 and December 20, 2021, respectively. Please refer to the paragraph headed "Appendix IV — Statutory and General Information — C. Further Information about Directors, Supervisors, Management and Substantial Shareholders — 4. Employee Incentive Plans" to the Prospectus for further details.

In order to maintain the quality, knowledge and skill levels of our workforce, our Group provides continuing education and training programs, including internal and external training, for our employees to improve their technical, professional or management skills. Our Group also provides training programs to our employees from time to time to ensure their awareness and compliance with our policies and procedures in various aspects.

CORPORATE GOVERNANCE

Compliance with the Corporate Governance Code

The Company is committed to achieving high standards of corporate governance with a view to safeguarding the interests of the Shareholders and to enhancing corporate value and accountability. The Board is of the view that the Company has complied with all applicable code provisions of the Corporate Governance Code during the Reporting Period, except for a deviation from the code provision C.2.1 of the Corporate Governance Code.

Under the code provision C.2.1 of the Corporate Governance Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Under the current organization structure of the Company, Dr. Tian Wenzhi (田文志) ("**Dr. Tian**") is the chairman and the chief executive officer of the Company. The Board believes that, in view of his experience, personal profile and his roles in our Company, Dr. Tian is the Director best suited to identify strategic opportunities and focus of the Board due to his extensive understanding of our business as our chief executive officer. The Board also believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of (i) ensuring consistent leadership within the Group, (ii) enabling more effective and efficient overall strategic planning and execution of strategic initiatives of the Board, and (iii) facilitating the flow of information between the management and the Board for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable our Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman of the Board and the chief executive officer of the Company at a time when it is appropriate by taking into account the circumstances of the Group as a whole.

The Company will continue to review and enhance its corporate governance practices to ensure compliance with the Corporate Governance Code.

Compliance with the Model Code

The Company has adopted a code of conduct regarding the Directors', the Supervisors' and employees' securities transactions on terms no less exacting than the required standards set out in the Model Code.

Having made specific enquiries with all Directors and Supervisors, each of them has confirmed that he/she has complied with our Company's code of conduct regarding the Directors', the Supervisors' and employees' securities transactions during the Reporting Period. No incident of non-compliance of the Model Code by the employees who are likely to be in possession of inside information of the Company was noted by the Company during the Reporting Period.

Issuance of the Filing Notice by the CSRC for the H Share Full Circulation Application of the Company

The CSRC has issued a filing notice to the Company (the "**Filing Notice**") regarding the implementation of the H Share full circulation of the Company. According to the Filing Notice, the Company has completed the filing with the CSRC in respect of the implementation of conversion up to an aggregate of 120,463,260 Unlisted Shares of the Company into H shares of the Company. The Filing Notice shall be valid for 12 months from May 14, 2024. The Company will apply to the Stock Exchange for the listing of, and permission to deal in, such H Shares on the Main Board of the Stock Exchange (the "**Conversion and Listing**"). As at the date of this announcement, the details of the implementation plan of the Conversion and Listing have not been finalized. The Company will make further announcement(s) on the progress of the Conversion and Listing in compliance with the requirements under the Listing Rules and the applicable laws, as and when appropriate.

For further details, please refer to the Company's announcement dated May 29, 2024.

USE OF PROCEEDS

The Company issued 17,147,200 H Shares at HK$18.60, which were listed on the Main Board of the Stock Exchange on the Listing Date, and issued 917,800 H Shares at HK$18.60 upon the partial exercise of the Over-allotment Option, which were listed on the Main Board of the Stock Exchange on October 4, 2023. We received net proceeds (after deduction of underwriting commissions and related costs and expenses) from the Global Offering (following partial exercise of the Over-allotment Option) of approximately HK$251.3 million. The following table sets forth the planned use of the net proceeds and the actual use as at June 30, 2024:

Proposed use		Percentage of total net proceeds	Allocation of net proceeds *(HK$ million)*	Utilized amount during the year ended December 31, 2023 *(HK$ million)*	Utilized amount during the period ended June 30, 2024 *(HK$ million)*	Balance of net proceeds unutilized as at June 30, 2024 *(HK$ million)*
(a)	To fund our Core Product, IMM01	40.0%	100.5	22.8	19.9	57.8
	• For funding an ongoing Phase II trial and planned pivotal clinical trials for the combination therapy of IMM01 and azacitidine for the first-line treatment of MDS/AML, and CMML in China, the preparation of relevant registration filings and other regulatory matters.	20.0%	50.3	11.1	10.3	28.9
	• 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.	17.0%	42.7	11.7	9.6	21.4
	• For funding the launch and commercialization of IMM01 in combination therapies.	3.0%	7.5	0.0	0.0	7.5
(b)	To fund our Key Products, IMM0306, IMM2902 and IMM2520	28.0%	70.4	21.6	24.4	24.4
	• 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.	15.0%	37.7	8.2	12.1	17.4
	• For the ongoing clinical trials of IMM2902 for the treatment of advanced HER2-positive and HER2-low expressing solid tumors, such as BC, GC, NSCLC and BTC in China and the U.S.	8.0%	20.1	12.0	8.1	0.0
	• 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 and lung cancer, among others.	5.0%	12.6	1.4	4.2	7.0

Proposed use		Percentage of total net proceeds	Allocation of net proceeds *(HK$ million)*	Utilized amount during the year ended December 31, 2023 *(HK$ million)*	Utilized amount during the period ended June 30, 2024 *(HK$ million)*	Balance of net proceeds unutilized as at June 30, 2024 *(HK$ million)*
(c)	For the planned clinical trial of IMM47.	10.0%	25.1	7.6	2.9	14.6
(d)	For the ongoing clinical trials of IMM2510 and IMM27M.	5.0%	12.6	7.4	5.2	0.0
(e)	For construction of our new manufacturing facility in Zhangjiang Science City, Shanghai.	7.0%	17.5	0.0	4.7	12.8
(f)	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.	5.0%	12.6	0.0	4.3	8.3
(g)	For working capital and general corporate purposes.	5.0%	12.6	0.0	0.0	12.6
Total		100.0%	251.3	59.4	61.4	130.5

Up to June 30, 2024, HK$120.8 million of proceeds have been utilized. The Company intends to use the net proceeds in the manner consistent with that mentioned in the section head "Future Plans and Use of Proceeds" in the Prospectus. The Company plans to utilize the balance of the net proceeds of the Global Offering by the end of 2025. The completion time of using such proceeds will be determined based on the Company's actual business needs and future business development.

AUDIT COMMITTEE

The Audit Committee has three members, comprising one non-executive Director and two independent non-executive Directors, namely Mr. Yeung Chi Tat (楊志達) (chairman), Dr. Xu Cong (徐聰) and Dr. Zhenping Zhu.

The Audit Committee has reviewed the interim financial results for the six months ended June 30, 2024 of the Company, and has considered and reviewed the accounting principles and practices adopted by the Group and has discussed matters in relation to financial reporting with the management of the Company.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement and as of the date of this announcement, there were no other significant events after the end of the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Reporting Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares). As of June 30, 2024, the Company did not hold any of treasury shares.

INTERIM DIVIDEND

The Board has resolved not to recommend an interim dividend for the six months ended June 30, 2024 (six months ended June 30, 2023: Nil).

PUBLICATION OF THE INTERIM RESULTS AND INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.immuneonco.com).

The interim report for the six months ended June 30, 2024 of the Company containing all the information required by the Listing Rules will be despatched to the Shareholders of the Company (if necessary) and published on the websites of the Stock Exchange and the Company in due course.

APPRECIATION

On behalf of the Board, I wish to express my sincere gratitude to our Shareholders and business partners for their continued trust and support, and to our employees for their diligence, dedication, loyalty and integrity.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended June 30, 2024

		Six months ended June 30,	
	NOTES	**2024**	2023
		RMB'000	*RMB'000*
		(unaudited)	(unaudited)
Revenue	*3*	**77**	86
Other income	*4*	**4,277**	6,359
Other gains and losses, net		**(19,487)**	6,106
Research and development expenses		**(119,138)**	(128,086)
Administrative expenses		**(30,063)**	(41,256)
Listing expenses		**—**	(13,409)
Finance costs		**(1,426)**	(630)
Loss before tax		**(165,760)**	(170,830)
Income tax expense	*6*	**—**	—
Loss for the period	*5*	**(165,760)**	(170,830)
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**10**	82
Total comprehensive expense for the period		**(165,750)**	(170,748)
Loss per share			
— Basic and diluted *(RMB yuan)*	*7*	**(0.44)**	(0.48)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At June 30, 2024

	NOTES	**At June 30, 2024** ***RMB'000*** **(unaudited)**	At December 31, 2023 *RMB'000* (audited)
Non-current assets			
Property and equipment		**31,886**	59,157
Right-of-use assets		**85,083**	90,230
Other non-current assets		**43,703**	38,503
		160,672	187,890
Current assets			
Trade receivables	*9*	**48**	39
Prepayments and other receivables	*10*	**69,510**	78,097
Financial assets at fair value through profit or loss ("**FVTPL**")		**266,189**	259,085
Term deposits with original maturity over three months		**—**	42,496
Cash and cash equivalents		**246,848**	306,983
		582,595	686,700
Current liabilities			
Trade and other payables	*11*	**45,321**	51,530
Lease liabilities		**3,464**	4,398
Borrowings		**70,990**	59,980
		119,775	115,908
Net current assets		**462,820**	570,792
Total assets less current liabilities		**623,492**	758,682
Non-current liabilities			
Lease liabilities		**8,254**	10,395
Borrowings		**15,000**	—
		23,254	10,395
Net assets		**600,238**	748,287
Capital and reserves			
Share capital		**374,158**	374,158
Reserves		**226,080**	374,129
Total equity		**600,238**	748,287

1. GENERAL INFORMATION AND BASIS OF PREPARATION

ImmuneOnco Biopharmaceuticals (Shanghai) Inc. (the "**Company**") was incorporated in the People's Republic of China (the "**PRC**") on June 18, 2015 as a limited liability company. On June 14, 2022, the Company was converted to a joint stock company with limited liability under the Company Law of the PRC. The Company's shares were listed on The Main Board of The Stock Exchange of Hong Kong Limited on September 5, 2023 (the "**Listing**"). The respective address of the registered office, headquarters and principal place of business in the PRC of the Company is Unit 15, 1000 Zhangheng Road, China (Shanghai) Pilot Free Trade Zone, Pudong New Area, Shanghai, PRC.

The principal activities of the Company and its subsidiaries (the "**Group**") are the research and development of immuno-oncology therapies.

The functional currency of the Company is Renminbi ("**RMB**"), which is the same as the presentation currency of the condensed consolidated financial statements.

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 ("**IAS34**") "Interim Financial Reporting" issued by the International Accounting Standards Board as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The directors of the Company have, at the time of approving the condensed consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the condensed consolidated financial statements.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

Other than change in accounting policies resulting from application of amendments to International Financial Reporting Standards ("**IFRSs**"), and application of certain accounting policies which became relevant to the Group in the current interim period, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended June 30, 2024 are the same as those presented in the Group's annual consolidated financial statements for the year ended December 31, 2023.

Application of amendments to IFRSs

In the current interim period, the Group has applied the following amendments to IFRSs issued by the International Accounting Standards Board for the first time, which are mandatorily effective for the Group's annual period beginning on January 1, 2024 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

The application of the amendments to IFRSs in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

Disaggregation of revenue from contracts with customers

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Types of goods or services		
A point in time		
Sales of cell strain and other products	**49**	86
Testing services	**28**	—
	77	86

Sales of cell strain and other products

Revenue from sales of cell strain and other products is recognized when the control of the relevant product is obtained by customers. To gain control over a product means to dominate the use of the product and gain almost all economic benefits from it. All sales of products are for a period of less than one year. As permitted under IFRS 15 *Revenue from Contracts with Customers*, the transaction price allocated to these unsatisfied contracts is not disclosed.

Testing services

The Group earns revenues by providing testing services to its customers through fee-for-service contracts. Contract duration ranges from a few days to weeks. Services revenue are recognized at a point of time upon the customer obtains deliverables of the Group's service. All testing services are for a period of less than one year. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

Segment information

Operating segments are identified on the basis of internal reports about components' of the Group that are regularly reviewed by the chief operating decision maker ("**CODM**"), which is also identified as the chief executive officer of the Group, in order to allocate resources to segments and to assess their performance.

During the Reporting Period, the CODM reviews the overall results and financial position of the Group as a whole. Accordingly, the Group has only one single segment and no further analysis of the single segment is presented.

Geographical information

As at December 31, 2023 and June 30, 2024, all non-current assets are located in the PRC.

4. OTHER INCOME

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Government grants *(Note)*	**642**	1,038
Bank interest income	**3,635**	5,279
Others	**—**	42
	4,277	6,359

Note: The amount represents various subsidies received from the PRC local government authorities as incentives mainly for the Group's research and development activities.

5. LOSS FOR THE PERIOD

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Loss before tax has been arrived at after charging:		
Depreciation of property and equipment	**5,777**	6,207
Depreciation of right-of-use assets	**5,147**	5,084
Total depreciation	**10,924**	11,291
Listing expenses	**—**	13,409
Directors' and supervisors' emoluments	**13,415**	29,400
Other staffs' costs:		
Salaries and other benefits	**32,296**	29,036
Discretionary bonus	**3,974**	2,687
Retirement benefit scheme contributions	**2,922**	2,505
Share-based payments	**8,239**	16,501
Total staff costs	**60,846**	80,129

6. INCOME TAX EXPENSE

No provision for income tax expense has been made since the Company and its subsidiaries have no assessable profits for both periods.

7. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

	Six months ended June 30,	
	2024	2023
	(unaudited)	(unaudited)
Loss		
Loss for the purpose of basic loss per share for the period attributable to owners of the Company *(RMB'000)*	**(165,760)**	(170,830)
Number of shares *('000)*		
Weighted average number of ordinary shares for the purpose of basic loss per share	**374,158**	356,093
Basic and diluted loss per share *(RMB yuan) (Note)*	**(0.44)**	(0.48)

Note: No adjustment has been made to the basic loss per share presented for the six months ended June 30, 2023 and 2024 as the Group had no potentially dilutive ordinary shares in issue during the interim period.

8. DIVIDENDS

No dividend was paid, declared or proposed during the interim period. The directors of the Company have determined that no dividend will be paid in respect of the interim period.

9. TRADE RECEIVABLES

The following is an ageing analysis of trade receivables, net of allowance for credit losses, presented based on the date of completion of service or delivery of goods at the end of the reporting period:

	At June 30, 2024 ***RMB'000*** **(unaudited)**	At December 31, 2023 *RMB'000* (audited)
Within 30 days	**19**	35
31–60 days	**—**	2
61–120 days	**29**	2
	48	39

The Group normally grants a credit period of 30 days or a particular period agreed with customers effective from the date when the services have been completed or control of goods has been transferred to the customer and billed to the customer.

10. PREPAYMENTS AND OTHER RECEIVABLES

	At June 30, 2024 ***RMB'000*** **(unaudited)**	At December 31, 2023 *RMB'000* (audited)
Other receivables:		
Interest receivables	**531**	909
Others	**33**	131
Prepayments for:		
Purchasing goods and research and development services	**68,903**	76,769
Others	**43**	288
	69,510	78,097

11. TRADE AND OTHER PAYABLES

	At June 30, 2024 *RMB'000* (unaudited)	At December 31, 2023 *RMB'000* (audited)
Trade payables for research and development expenses	**4,883**	10,804
Accrued outsourcing research and development expenses	**17,581**	14,191
Accrued staff costs and benefits	**10,759**	14,163
Accrued research and development materials and consumables	**3,240**	942
Accrued issue costs	**—**	299
Accrued listing expenses	**—**	3,440
Payables for property and equipment	**4,447**	5,185
Legal and professional fees	**1,425**	1,560
Other tax payables	**634**	765
Others	**2,352**	181
	45,321	51,530

The average credit period on purchases of goods/services of the Group is 45 days. Ageing analysis of the Group's trade payables based on the invoice dates at the end of the reporting period is as follows:

	At June 30, 2024 *RMB'000* (unaudited)	At December 31, 2023 *RMB'000* (audited)
0–30 days	**4,461**	10,746
31–90 days	**—**	42
91–180 days	**422**	16
	4,883	10,804

DEFINITIONS AND GLOSSARY

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

"Audit Committee"	the audit committee of our Board
"Board"	the board of Directors of our Company
"China" or "PRC"	the People's Republic of China and, for the purpose of this announcement, excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan, China
"Company," "our Company" or "the Company"	ImmuneOnco Biopharmaceuticals (Shanghai) Inc. (宜明昂科生物醫藥技術(上海)股份有限公司), a joint stock company incorporated in the PRC with limited liability on June 14, 2022, or, where the context requires (as the case may be), its predecessor, ImmuneOnco Biopharmaceuticals (Shanghai) Co., Ltd. (宜明昂科生物醫藥技術(上海)有限公司), a limited liability company established in the PRC on June 18, 2015
"Core Product"	IMM01 (Timdarpacept), the designated "core product" as defined under Chapter 18A of the Listing Rules
"Corporate Governance Code"	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
"CSRC"	the China Securities Regulatory Commission (中國證券監督管理委員會)
"Director(s)"	the director(s) of our Company
"Dr. Tian"	Dr. Tian Wenzhi (田文志), the chairman of the Board, the chief executive officer, the chief scientific officer and the executive Director of our Company, and one of our Controlling Shareholders
"Global Offering"	the global offering of the Company's H Shares on the Stock Exchange
"Group," "our Group," "we" or "us"	our Company and our subsidiaries

"H Share(s)"	ordinary share(s) in the share capital of our Company, with a nominal value of RMB1.00 each, which are to be subscribed for and traded in Hong Kong dollars and for which an application has been made for the granting of listing and permission to deal in on the Stock Exchange
"IFRSs"	International Financial Reporting Standards, which include standards, amendments and interpretations promulgated by the International Accounting Standards Board and the International Accounting Standards and interpretations issued by the International Accounting Standards Committee
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
"NMPA"	the National Medical Products Administration of the PRC (國家藥品監督管理局), successor to the China Food and Drug Administration or CFDA (國家食品藥品監督管理總局)
"Over-allotment Option"	the option granted by our Company to the International Underwriters, exercisable by the Overall Coordinators (on behalf of the International Underwriters) pursuant to the International Underwriting Agreement, to require our Company to allot and issue up to an aggregate of 2,572,000 additional H Shares at the Offer Price, representing approximately 15% of the Offer Shares initially available under the Global Offering, to cover, among other things, over-allocations in the International Offering, if any
"Prospectus"	the prospectus of the Company dated August 24, 2023
"R&D"	research and development
"Reporting Period" or "Period"	the six months ended June 30, 2024
"RMB"	Renminbi, the lawful currency of the PRC

"Share(s)"	ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, comprising the Unlisted Shares and H Shares
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to this term under the Listing Rules
"Supervisor(s)"	the supervisor(s) of the Company
"Supervisory Committee"	the supervisory committee of the Company
"Unlisted Share(s)"	ordinary share(s) issued by our Company with a nominal value of RMB1.0 each, which is/are not listed on any stock exchange)
"USD" or "US$"	United States dollars, the lawful currency of the United States
"%"	per cent.

By order of the Board
ImmuneOnco Biopharmaceuticals (Shanghai) Inc.
宜明昂科生物醫藥技術（上海）股份有限公司
Tian Wenzhi
Chairman and Executive Director

Shanghai, the People's Republic of China, August 26, 2024

As at the date of this announcement, the Board of Directors comprises (i) Dr. Tian Wenzhi, Mr. Li Song and Ms. Guan Mei as executive Directors; (ii) Dr. Xu Cong, Mr. Yu Zhihua and Mr. Yu Xiaoyong as non-executive Directors; and (iii) Dr. Zhenping Zhu, Dr. Kendall Arthur Smith and Mr. Yeung Chi Tat as independent non-executive Directors.