JW (Cayman) Therapeutics Co. Ltd
藥明巨諾（開曼）有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2126)

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

The board (the "**Board**") of directors (the "**Directors**") of JW (Cayman) Therapeutics Co. Ltd (the "**Company**") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the "**Group**", "**we**" or "**us**") for the six months ended June 30, 2024 (the "**Reporting Period**") together with the comparative figures for the corresponding period in 2023. These interim results have been reviewed by the Company's audit committee (the "**Audit Committee**") and the Company's auditor, PricewaterhouseCoopers.

INTERIM RESULTS HIGHLIGHTS

Financial Highlights

IFRS Measure:

- **Revenue** was RMB86.8 million for the six months ended June 30, 2024, remaining relatively stable as compared to RMB87.7 million for the six months ended June 30, 2023. This revenue was attributed to the ongoing commercialization of our anti-CD19 autologous chimeric antigen receptor T cell ("**CAR-T**") immunotherapy product, Carteyva® (relmacabtagene autoleucel ("**relma-cel**"), R&D code: JWCAR029). Carteyva® has been approved for treating adult patients with relapsed or refractory ("**r/r**") large B-cell lymphoma ("**LBCL**"), r/r follicular lymphoma ("**FL**") and r/r mantle cell lymphoma ("**MCL**").

- **Gross profit** was RMB43.7 million for the six months ended June 30, 2024, remaining relatively stable as compared to RMB44.8 million for the six months ended June 30, 2023. Gross profit margin of sales was 50.4% for the six months ended June 30, 2024, representing a minor decrease from 51.1% for the six months ended June 30, 2023. The change was primarily due to the increase of vector purchasing price compared to last year.

- **Research and development ("R&D") expenses** amounted to RMB151.0 million for the six months ended June 30, 2024, representing a decrease of 30.3% from RMB216.5 million for the six months ended June 30, 2023, primarily attributable to an enhanced operation efficiency and optimized R&D strategy including: (i) a decrease in employee benefit expenses; (ii) a decrease in R&D materials; (iii) a decrease in testing and clinical fees; and (iv) a decrease in office expenses.

- **Selling expenses** amounted to RMB76.2 million for the six months ended June 30, 2024, representing an increase of 26.6% compared to RMB60.2 million for the six months ended June 30, 2023. This increase was primarily due to market exploration activities implemented according to business strategy and optimization of selling expenses to remain competitiveness of the product.

- **General and administrative expenses** amounted to RMB59.2 million for the six months ended June 30, 2024, representing a decrease of 24.7% from RMB78.7 million for the six months ended June 30, 2023, primarily attributable to continuous operational excellence leading to a decrease in employee benefit expenses and third party professional service fees.

- **Other gains and losses** amounted to net other losses of RMB6.7 million for the six months ended June 30, 2024, as compared to net other losses of RMB81.2 million for the six months ended June 30, 2023. The decrease was in part attributable to the stable exchange rate of Renminbi ("**RMB**") against the U.S. dollar ("**USD**") and the HK dollar ("**HKD**") when exchanging the transactional currency (RMB) to the functional currencies (USD and HKD) for our offshore companies within the Group, as compared to the same period in 2023.

- **Loss for the period** was RMB240.3 million for the six months ended June 30, 2024, as compared to RMB380.4 million for the six months ended June 30, 2023. The decrease was primarily attributable to: (i) a decrease in R&D expenses resulting from further improved operation efficiency in the Reporting Period; (ii) a decrease in general and administrative expenses due to improved workforce efficiency; and (iii) a decrease in net other losses. The effects of the factors mentioned above were partially offset by the increased selling expenses to support the commercialization of Carteyva®.

- **Cash and cash equivalents** amounted to RMB869.0 million as at June 30, 2024, representing a net cash outflow of RMB136.9 million for the six months ended June 30, 2024 compared to RMB110.4 million for the six months ended June 30, 2023.

Non-IFRS Measure:

Adjusted loss[1] was RMB214.7 million for the six months ended June 30, 2024, representing a decrease of RMB52.4 million from RMB267.1 million for the six months ended June 30, 2023. The decrease was primarily attributable to: (i) decrease in R&D expenses resulting from further improved operation efficiency in the Reporting Period; (ii) decrease in general and administrative expenses due to improved workforce efficiency; and (iii) decrease in net other losses. The effects of the factors mentioned above were partially offset by the increased selling expenses to support the commercialization of Carteyva®.

BUSINESS HIGHLIGHTS

For the six months ended June 30, 2024, as an independent, innovative biotechnology company focused on developing, manufacturing and commercializing cell immunotherapy products, we have made significant progress in our business, achieved important milestones, and comprehensively enhanced operation efficiency, such as the stable gross profit margin, well-controlled selling expenses, streamlined organization and reduced net cash outflow. Our lead product, Carteyva®, continued to make remarkable progress in its commercialization. Additionally, our outstanding clinical development and operational capabilities led to the National Medical Products Administration of China ("**NMPA**") approval of our investigational new drug ("**IND**") application relating to Carteyva® as a second-line therapy for transplant-ineligible patients with r/r LBCL, and we have commenced patient enrollment in the related clinical trial. The NMPA further approved (i) our supplemental New Drug Application ("**sNDA**") relating to Carteyva® as a treatment for patients with r/r MCL in August 2024; and (ii) our IND application relating to Carteyva® as a treatment for systemic lupus erythematosus ("**SLE**") in April 2023. Carteyva® is the first cell therapy product approved in China for the treatment of patients with r/r MCL. We also commenced an investigator-initiated trial ("**IIT**") of JWATM214 for the treatment of advanced hepatocellular carcinoma ("**HCC**"). Moreover, we have made significant progress in developing innovative products with global commercialization potential.

1 Adjusted loss for the period is not a financial measure defined under IFRS. It represents the loss for the period excluding the effect of the following non-cash items: (a) share-based compensation expenses; and (b) net foreign exchange losses. For the calculation and reconciliation of this non-IFRS measure, please refer to "Management Discussion and Analysis — Financial Review — 11. Non-IFRS Measure" in this announcement.

Since the beginning of 2024, we have achieved the following significant milestones in our business:

Commercialization

- We continued to execute our cost reduction plans in the first half of 2024, which enabled us to further optimize cost of sales per batch and to keep our gross profit margin relatively stable at 50.4% in the first half of 2024.

- As of June 30, 2024, Carteyva® has been listed on 78 commercial insurance products and 96 effective local governmental complementary medical insurance programs.

- We enhanced our commercialization strategy with a streamlined organization to drive sustainable revenue growth.

Research and Development

Hematologic malignancies

- In August 2024, the NMPA approved our sNDA relating to Carteyva® for the treatment of adult patients with r/r MCL after two or more lines of systemic therapy including bruton tyrosine kinase inhibitors ("**BTKi**").

- We reported four years of follow-up results from the Phase II registrational clinical trial of Carteyva® as a third-line treatment for LBCL at the Annual Meeting of the American Society of Clinical Oncology in 2024 ("**ASCO 2024**").

- With respect to our Phase I/II registrational clinical trial of Carteyva® as a treatment for pediatric and young adult patients with r/r acute lymphoblastic leukemia ("**ALL**"), we reported initial trial data at the 2024 Hybrid Congress of the European Hematology Association.

- With respect to the RELIANCE Study relating to Carteyva® as a third-line treatment for adult patients with r/r FL, we currently plan to publish two years of follow-up data by the end of 2024.

- With respect to our Phase III registrational clinical trial comparing Carteyva® to second-line LBCL standard of care therapy, we currently expect to complete patient enrollment in the second half of 2024.

- The previously announced IIT relating to Carteyva® as a first-line treatment for patients with high-risk LBCL is ongoing, and is currently expected to be completed by the end of 2024.

- In the first half of 2024, we announced commencement of an IIT relating to JWCAR201, and we expect that patient enrollment in this trial will continue through 2024.

Autoimmune diseases

- With respect to the ongoing IIT relating to relma-cel as a treatment for SLE, initial trial data were reported at the 2024 European Alliance of Associations for Rheumatology Congress.

- In January 2024, we expanded our collaboration with 2seventy bio, Inc. ("**2seventy bio**") to encompass co-development and commercialization of a CAR-T cell product for autoimmune diseases.

Solid tumors

- With respect to the ongoing IIT relating to JWATM214 as a treatment for patients with advanced HCC, the dose-finding phase was completed in the first half of 2024. We currently expect this IIT to be completed by the end of 2024.

- In March 2024, patient enrollment in an IIT relating to our product candidate directed to melanoma-associated antigen A4 ("**MAGE-A4**") as a treatment for various solid tumors commenced.

Discovery and Early Research

Our early research and development efforts focus on innovative pipeline products, leveraging our established infrastructure and expertise. The Company aims to expand internationally without regional restrictions. The new pipeline targets hematological cancers, solid tumors and autoimmune diseases, with "Armor" elements designed in-house to enhance the CAR therapies' efficacy and durability. We are developing two dual targeting autologous CAR T-cell therapy for broader effectiveness and enhanced performance for treatment of autoimmune diseases and B-cell malignancies. Another two new CAR products for solid tumor indications are engineered for global commercialization. In addition, we are exploring innovative approaches to simplify the manufacturing process through non-viral methods and off-the-shelf CAR products. This strategic approach aims to deliver potent therapies to patients efficiently while managing costs.

Manufacturing

We continued to maintain the manufacturing success rate of 98% for Carteyva®, close to the level that we obtained in our LBCL registrational clinical trial.

We continued to implement our cost reduction plans in the first half of 2024, which include procurement of important raw materials from domestic suppliers. As of June 30, 2024, we continued sourcing multiple materials from domestic suppliers, and going forward we plan to source additional raw materials from domestic suppliers.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Overview

The Company is an independent, innovative biotechnology company focused on developing, manufacturing and commercializing cell immunotherapy products. Since our founding in 2016, we have built an integrated platform for product development in cell immunotherapy, as well as a product pipeline covering hematologic malignancies, solid tumors and autoimmune diseases. We are committed to bringing breakthrough and quality cell immunotherapy products and the hope of a cure to patients in China and beyond, and to leading the healthy and standardized development of China's cell immunotherapy industry.

We are an early entrant into the field of cell-based immunotherapy in China. Cell-based immunotherapies, including CAR-T treatments, are an innovative treatment method that uses human immune cells to fight cancer, representing a paradigm shift and the latest innovation in cancer treatment. Our lead product, Carteyva®, is an autologous anti-CD19 CAR-T cell immunotherapy product independently developed by us based on a CAR-T cell process platform of Juno Therapeutics, Inc. ("**Juno**") (a Bristol Myers Squibb company). Carteyva® has been approved by the NMPA for two indications, including the treatment of adult patients with r/r LBCL after two or more lines of systemic therapy, and the treatment of adult patients with r/r FL in which a relapse occurs within 24 months of second-line or higher systemic treatment. Carteyva® is the first CAR-T product approved as a Category 1 biologics product in China, and currently it is the only CAR-T product in China that has been simultaneously included in the National Significant New Drug Development Program and granted priority review and breakthrough therapy designations.

Sales of CAR-T products in China remained relatively stable in the first half of 2024, as compared to same period in 2023. Given the unmet medical needs that can be effectively addressed by CAR-T therapies, the market for CAR-T therapies in China is expected to experience strong growth through 2030, according to Frost & Sullivan. We believe that we are well-positioned to take advantage of this growing market, based on the best-in-class potential of our anti-CD19 CAR-T product profile; our robust and differentiated cell therapy pipeline covering hematological cancers, solid tumors and autoimmune diseases; our fully integrated cell therapy development platform; our leading commercial manufacturing infrastructure and supply chain; and our seasoned management and strong support from the shareholders of the Company (the "**Shareholders**"). In the first half of 2024, we made significant progress on the development of Carteyva® for the treatment of hematological malignancies, expanded our portfolio of products for the treatment of solid tumors, and advanced relma-cel as a potential treatment for SLE, an autoimmune disease widely prevalent in China.

Commercialization

Sales of Carteyva® remained relatively stable versus the first half of 2023 under the competition pressure from other non-Hodgkin's lymphoma ("**NHL**") CAR-T player and BiAb launch.

We have built a focused and dedicated commercial team to commercialize Carteyva® across China. We have a fully established commercial team with strong commercialization capabilities, including Sales, Marketing, Market Access Innovative Payment and CAR-T Consultant. To meet market development and customer needs, the structure of our commercial team has been further optimized in respect of streamlined administration and improved operation efficiency. These teams are led by experienced commercial team leaders.

In order to build a patient centric treatment model, we conducted training for each hospital to help physicians and nurses to gain a comprehensive understanding about Carteyva® and the entire process from prescription to infusion. Furthermore, we conducted a systematic evaluation of hospitals to ensure the administration of CAR-T products meet our standards.

To improve affordability, we have leveraged the development of China's multi-layer medical insurance system by listing Carteyva® in more local governmental complementary medical insurance programs and commercial insurance products. As of June 30, 2024, Carteyva® has been effectively listed on more than 78 commercial insurance products and 96 local governmental complementary medical insurance programs. To further alleviate financial pressure on patients, we continued to cooperate with industry-leading innovative payment platforms which can provide installment payment services or mortgage loans to patients receiving Carteyva®. We will continue to expand commercial insurance coverage and explore more innovative payment solutions with the goal of improving affordability for patients who are eligible to be treated with Carteyva®.

We have made further progress on implementation of the manufacturing cost reduction strategies that we established in 2020, which consist of the following elements: (i) near-term (1–2 years)-realize significant cost reduction by implementing technologies and procedures that optimize the use of raw materials; (ii) mid-term (2–3 years)-realize further cost reduction by replacing imported materials with domestic supplies; and (iii) long-term (3–5 years)-implement new technologies for process improvement and key materials utilization and thereby further reduce raw material and labor costs, and potentially shorten production cycle time. We successfully completed our near-term cost reduction plans in 2022, and we commenced our mid-term cost reduction plans in 2022, which enabled us to procure important raw materials from domestic suppliers. As of June 30, 2024, we have commenced sourcing key materials from domestic suppliers, and going forward we plan to source additional raw materials from domestic suppliers. We continue optimizing our manufacturing operations to improve efficiency and exploring new technologies for process improvement or new process platforms.

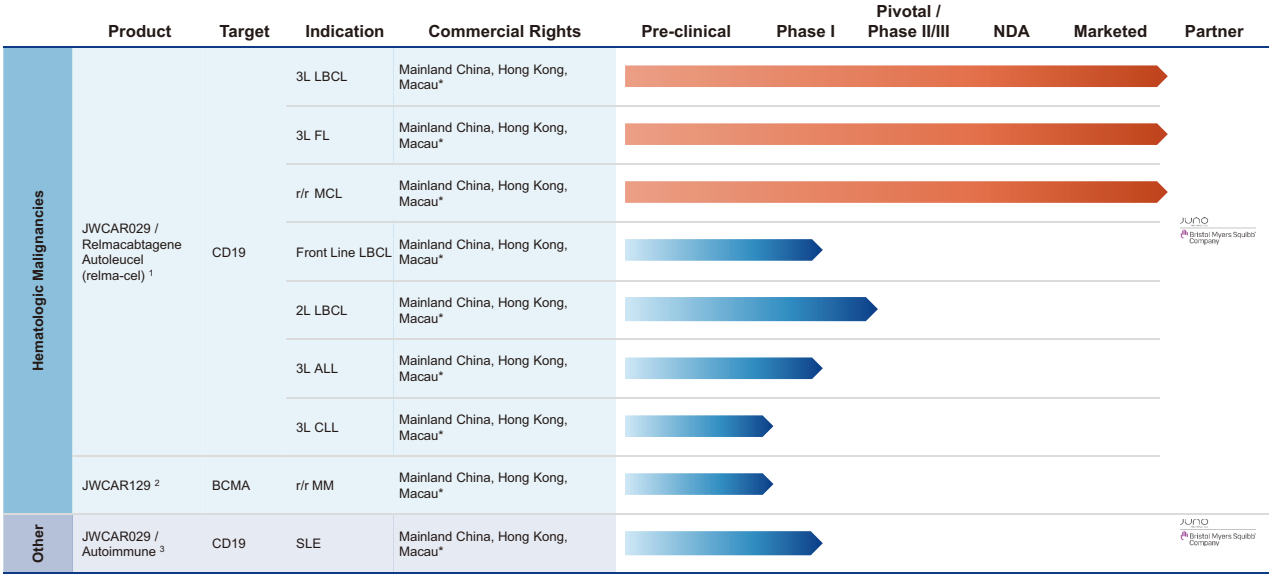
We continue to collaborate with stakeholders in the medical industry to establish best practices and industry standards for CAR-T therapies and enhance the administration and monitoring processes of CAR-T therapies to improve patient outcomes. Given the proven efficacy of Carteyva®, high unmet medical needs of r/r NHL patients and expanded coverage under the multi-layer medical care system in China, together with our clear strategy and strong commercialization ability, we are confident that Carteyva® is well positioned to benefit more patients in the medium and longer term.

Our Product Pipeline

We have developed a robust and differentiated cell-based immunotherapy pipeline, with a risk-balanced approach that has shown clear benefit in the field of cell therapies for hematological cancers and provides an opportunity to expand into the nascent field of cell therapies for solid tumors and autoimmune diseases. Our product pipeline features a mix of product candidates targeting both proven and novel tumor antigens. In the first half of 2024, we made significant progress on the development of Carteyva® for the treatment of hematological malignancies, expanded our portfolio of products for the treatment of solid tumors, and advanced relma-cel as a potential treatment for SLE, a widely prevalent autoimmune disease. With respect to hematological malignancies, the NMPA approved our sNDA relating to Carteyva® for the treatment of adult patient with r/r MCL after two or more lines of systemic therapy including BTKi in August 2024. In addition, in November 2023 we commenced patient enrollment in our clinical trial of Carteyva® as a second-line treatment for 2L LBCL, the study is actively enrolling patients in the first half of 2024 and we expect to complete patient enrollment by the end of 2024. With respect to solid tumors, the dose-finding phase of the IIT relating to JWATM204 as a treatment for HCC was completed and primary safety and efficacy data were obtained, the IIT relating to JWATM214 as a treatment for HCC was commenced in February 2023, and enrollment for the dose-finding phase of the IIT relating to JWATM214 as a treatment for HCC was completed by the first half of 2024. In addition, we also commenced pre-clinical development of cell therapy products directed to MAGE-A4 and Delta-like canonical Notch ligand 3 ("**DLL3**"), and in March 2024 we commenced patient enrollment in the IIT study relating to MAGE-A4. Moreover, in March 2023, we initiated the clinical study of relma-cel as a treatment for patients with moderately or severely active SLE. We also received NMPA approval of an IND application relating to relma-cel as a treatment for SLE in April 2023, expanding our potential range into the treatment of autoimmune diseases, and we expect to continue enrolling patients for the IND study. Further, we have expanded our strategic partnership with 2seventy bio to encompass co-development and commercialization of a CAR-T cell product for autoimmune diseases in Greater China. We believe that the Company may be able to secure a first-mover or early-mover advantage in a highly promising market through development of these therapies.

We are also developing our other product in the pipeline and progressing into the clinical stage. JWCAR201 is a dual targeting autologous CAR T-cell therapy designed for B-cell malignancies and autoimmune diseases. In the first half of 2024, we announced the commencement of an IIT relating to JWCAR201, and we expect to continue enrolling patients through 2024.

The following chart summarizes the current development status of our products and product candidates that are intended for treatment of hematologic malignancies and autoimmune diseases:



Abbreviations: LBCL = large B-cell lymphoma; FL = follicular lymphoma; MCL = mantle cell lymphoma; ALL = acute lymphoblastic leukemia; CLL = chronic lymphocytic leukemia; MM = multiple myeloma; NHL = non-Hodgkin lymphoma; SLE = systemic lupus erythematosus.

* Mainland China, Hong Kong and Macau refer to Mainland China, Hong Kong (China) and Macau (China), respectively.

1. Relma-cel is based on the same chimeric antigen receptor ("**CAR**") construct as the product lisocabtagene maraleucel (Breyanzi or lisocabtagene or liso-cel) of Juno, which was approved by the U.S. Food and Drug Administration ("**FDA**") in February 2021.

2. JWCAR129 is based on the same CAR construct as Juno's product orvacabtagene autoleucel (orva-cel).

3. SLE is a chronic autoimmune disease characterized by the production of autoantibodies and abnormal B-lymphocyte function.

Hematologic Malignancies

Our Core Product Candidate — Carteyva® (relma-cel, R&D code: JWCAR029)

Carteyva®, our lead product, has the potential to be a CAR-T therapy with superior efficacy and safety profile. It targets an antigen called CD19, which is expressed in a broad range of hematological cancers. Lymphomas are hematological cancers involving lymphocytes of the immune system, and LBCL, FL and MCL are types of NHL that affect B-cells within the immune system. In addition to marketing Carteyva® as a third-line treatment for LBCL r/r FL and r/r MCL, we are also exploring the further clinical potential for Carteyva® by developing relma-cel as a third-line treatment for other types of NHL, including ALL and chronic lymphocytic leukemia ("**CLL**"), moreover as a frontline and second-line treatment for LBCL.

Carteyva® is based on a CAR construct that we have in-licensed from Juno for Mainland China, Hong Kong and Macau[2]. Juno's biologics license application for its product based on that same CAR construct ("**Breyanzi**" or "**lisocabtagene**" or "**liso-cel**") was approved by the U.S. FDA for third-line LBCL in February 2021 and for second-line LBCL that is r/r within 12 months of frontline therapy in June 2022.

Third-line LBCL

On September 1, 2021, the NMPA approved our NDA for Carteyva® as a treatment for adult patients with r/r LBCL after two or more lines of systemic therapy. Carteyva® is the first CAR-T product approved as a Category 1 biologics product in China, and the sixth approved CAR-T product globally.

Carteyva®'s potential to be a best-in-class CAR-T therapy is based on its superior safety profile and competitive efficacy. Our Phase II registrational clinical trial of Carteyva® as a third-line treatment for LBCL demonstrated efficacy results of best overall response rate ("**ORR**") of 77.6% and best complete response rate ("**CRR**") of 53.5%. In the same trial, severe cytokine release syndrome ("**sCRS**") was observed in 5.1% of treated patients, severe neurotoxicity ("**sNT**") was observed in 3.4% of treated patients, and no treatment-related deaths were reported. In addition, the overall survival ("**OS**") rate was 69.3% after two years and 66.7% at four years, and there were no new safety signals. We reported two years of follow-up results at the Annual Meeting of the American Society of Hematology held in San Diego, California in December 2023. We also reported four years of follow-up results at the Annual Meeting of ASCO 2024.

2 *Mainland China, Hong Kong and Macau refer to Mainland China, Hong Kong (China) and Macau (China), respectively.*

Second-line LBCL

We have completed a single-arm Phase I trial in China to evaluate Carteyva® as a treatment for high risk LBCL patients who are refractory to primary treatment. This was an open-label, single-arm, multi-centre, Phase I study, aiming to evaluate the safety and efficacy of relma-cel in patients with primary refractory disease after first-line standard of care. A total of 12 patients received relma-cel infusion and completed 9 months follow-up. Data showed relma-cel was tolerable, no grade 3 or higher cytokine release syndrome ("**CRS**") or neurotoxicity ("**NT**") was observed. The most common treatment-emergent adverse event at grade 3 or higher was cytopenia. The best ORR and best CRR were 75.0% and 33.3%, respectively, and 3-month ORR and CRR were 41.7% and 33.3%, respectively. Median duration of response and OS were not yet reached. We reported these findings at the Annual Meeting of the American Society of Clinical Oncology held in Chicago, Illinois in June 2022.

In December 2021, on the basis of data generated from this trial, we submitted to the NMPA an IND application for a multi-center, randomized Phase III registrational clinical trial comparing Carteyva® to second-line LBCL standard of care therapy, including salvage chemotherapy +/- high dose chemotherapy followed by autologous stem cell transplant. The design is similar to the TRANSFORM study evaluating Breyanzi, a CAR-T using the same CAR construct as Carteyva® in this indication, which demonstrated highly statistically significant improvement in Event Free Survival for Breyanzi and led to the U.S. FDA approval of Breyanzi as a second-line treatment for LBCL. In March 2022, the NMPA approved our IND application relating to this trial. Further, we submitted a new IND application for Carteyva® as second-line therapy for transplant-ineligible patients with r/r LBCL in January 2023. The design is similar to the PILOT study evaluating Breyanzi, on the basis of which the U.S. FDA has approved Breyanzi for second-line treatment of transplant-ineligible patients. The NMPA approved our IND application relating to this trial in March 2023. We enrolled the first patient in this trial in November 2023, and we currently expect to complete patient enrollment in the second half of 2024.

Frontline LBCL

In March 2023, we announced the commencement of an IIT relating to Carteyva® as a first-line treatment for patients with high risk LBCL, and the first patient infusion was completed. Recent reports have suggested that anti-CD19 CAR-T therapy may be beneficial to individuals who have not fully responded to early frontline therapy. As a result and given Carteyva®'s low frequency of severe toxicity to date, we expect to continue enrolling frontline patients with LBCL for our Phase I IIT. In the planned study, these patients who receive two cycles of conventional frontline therapy with R-CHOP[3] and do not achieve a complete response will then be enrolled and receive a single infusion of Carteyva® at a dose of 100 million cells.

These trial data, if favorable, may then be used to design and conduct an expanded Phase I trial of LBCL patients without prior chemotherapy or a larger registrational trial in frontline LBCL similar to the approach described for the initial IIT in the frontline setting. The trial is on-going and expected to complete by end of 2024.

Third-line FL

With respect to Carteyva® as a third-line treatment for adult patients with r/r FL, the NMPA granted Breakthrough Therapy Designation in September 2020, accepted our sNDA in February 2022 and approved our sNDA in October 2022. Carteyva® has thus become the first CAR-T product approved for treatment of r/r FL in China.

The NMPA's approval of our sNDA relating to Carteyva® as a third-line treatment for adult patients with r/r FL was based on the 6-months clinical results from cohort B of a single-arm, multi-center pivotal study (the "**RELIANCE**" study) on Carteyva® in adult patients with r/r B cell non-Hodgkin lymphoma in China. The 3-months data had been presented at the 63rd Annual Meeting of the American Society of Hematology in December 2021. The cohort B results of the RELIANCE study showed that Carteyva® demonstrated high rates of durable disease response (ORR=100.0%, CRR=85.2% at month 3; ORR=92.6%, CRR=77.8% at month 6) and controllable CAR-T associated toxicities in patients with r/r FL.

In December 2022, we reported cohort B clinical response of this pivotal Phase II RELIANCE study on efficacy and safety of Carteyva® in adults with r/r FL in China at the 64th Annual Meeting of the American Society of Hematology.

3 R-CHOP is a cancer drug combination to treat NHL. It includes rituximab, cyclophosphamide, anthracycline, vincristine and corticosteroid.

As of the data cut-off date of December 17, 2021, based on 28 patients who had been treated with Carteyva® with 11.7 months of median follow-up, Carteyva® demonstrated remarkable clinical responses, achieving high rates of CRR and ORR (best ORR and best CRR were 100.0% and 92.6% respectively) and a manageable safety profile — only one patient experienced grade 3 or above NT, and no patient experienced grade 3 or above CRS. We are continuing the RELIANCE study, and we currently plan to publish 2 years of follow-up data by the end of 2024.

r/r MCL

We have completed enrollment in a registrational trial in China to evaluate Carteyva® as a treatment for MCL patients who previously received chemotherapy, anti-CD20 agent and Bruton tyrosine kinase inhibitors ("**BTKi**"). This is a Phase II, open-label, single-arm, multicenter study which aims to assess the efficacy and safety of Carteyva® in adults with r/r MCL in China. The study enrolled a total of 59 r/r MCL patients who were r/r to second-line or above treatments. Prior therapies must include an anti-CD20 monoclonal antibody, anthracycline-or bendamustine-containing chemotherapy, and BTKi therapy. We plan to follow up on long-term survival (five years or above) for these patients. In August 2024, the NMPA approved our sNDA relating to Carteyva® for the treatment of adult patients with r/r MCL after two or more lines of systemic therapy including BTKi. The NMPA had granted Breakthrough Therapy Designation to Carteyva® for this purpose in April 2022, as well as priority review in December 2023.

At the 65th Annual Meeting of the American Society of Hematology in December 2023, we reported preliminary safety and efficacy data for our study of Carteyva® as a treatment for MCL. As of the data cut-off of June 30, 2023, a total of 56 participants had been treated with Carteyva®. Of 42 efficacy-evaluable participants, Carteyva® demonstrated remarkable clinical responses, achieving high rates of CRR and ORR (3 months best ORR 78.57%, 3 months best CRR 66.67%). The safety assessment showed that, in 56 participants who received Carteyva®, the incidence of severe (grade≥3) CRS was 5.36%, the incidence of severe (grade≥3) NT was 7.14%, and the incidence of severe (grade≥3) infection was 26.79%.

Third-line ALL

We have commenced a single-arm Phase I/II registrational trial in China to evaluate Carteyva® in pediatric and young adult patients with r/r ALL after at least two prior lines of therapy. The NMPA approved our IND application with respect to this clinical trial in April 2022, we have commenced patient enrollment and administered the first several doses of Carteyva® to patients in this trial. The initial trial data has been published at the 2024 Hybrid Congress of the European Hematology Association.

JWCAR129

JWCAR129 is an autologous CAR-T therapy for the treatment of multiple myeloma ("**MM**"), based on a CAR construct that we have in-licensed from Juno (the H125 vector). MM is a cancer of plasma cells, which are an important part of the immune system formed from matured B-cells to produce antibodies that help the body to attack and kill germs. MM is a condition in which plasma cells become cancerous and grow out of control. JWCAR129 targets BCMA, a protein which is highly expressed in a number of hematological malignancies, including MM. In December 2021, the NMPA approved our IND application relating to JWCAR129 as a treatment for fourth-line or greater r/r MM.

We will continue to evaluate opportunities for the development of JWCAR129 and other product candidates intended for the treatment of MM, taking into account the development status and potential of our other product candidates and availability of funding.

Autoimmune Diseases

Systemic Lupus Erythematosus

SLE is a chronic autoimmune disease characterized by the production of autoantibodies and abnormal B-lymphocyte function. Prevalence of SLE in China mainland is about 30/100,000 or around 270,000 cases patient-year[4], 40% of SLE patients develop organ damage in the first year, and 50% of patients develop irreversible organ damage within five years of onset. Current standards of care are neither effective nor safe, which gives rise to substantial unmet medical needs.

B Cell Depletion Therapy ("**BCDT**") has now become one of the main novel therapy candidates targeted at SLE.

CD19 is widely expressed at all differentiation stages from pre-B cells to plasma cells. Hence, CD19-targeted CAR-T cells may target and deplete B cells or plasma cells that are directly responsible for autoantibody production. Compared with antibodies, CAR-T cell therapy could retain potency over time and rapidly lead to lasting remission. We estimate that at least 15,000 patients are CAR-T eligible in the targeted setting with high treatment willingness.

We received NMPA approval of our IND application relating to relma-cel as a treatment for SLE in April 2023, and we have commenced enrollment of patients in the related study. To further extend relma-cel's potential in broader disease area, we initiated a clinical study to evaluate the safety, tolerability, and pharmacokinetic profile of relma-cel in Chinese patients with moderately or severely active SLE.

4 Rees F, Doherty M, Grainge MJ, et al. The Worldwide Incidence and Prevalence of Systemic Lupus Erythematosus: A Systematic Review of Epidemiological Studies. Rheumatology. 2017; 56(11): 1945-1961. Applied 30 cases/100,000 and assuming 900 million as China adult population in 2017.

To further study the efficacy of relma-cel and the recommended Phase II dose ("**RP2D**") in SLE, we have completed several rounds of dose level exploration and observed promising preliminary safety and efficacy data in the first several patients enrolled. We intend to continue patient enrollment, and the initial trial data has been published at the 2024 European Alliance of Associations for Rheumatology Congress. We believe that the Company may be able to secure a first-mover or early-mover advantage in the highly promising market for treatment of SLE in China through development of such therapy.

We have already demonstrated successful manufacture of CAR-T cells for SLE patients in our pilot study and observed a well-managed safety profile, significant improvement of clinical symptoms as well as complete depletion of B-cells in the first several patients enrolled.

Solid Tumors

The following chart summarizes the current development status of our product candidates that are intended for treatment of solid tumors:

	Product	Target	Indication	Commercial Rights	Pre-clinical	Phase I	Pivotal / Phase II/III	NDA	Marketed	Partner
Solid Tumors	JWATM204 [1]	GPC3	HCC	Mainland China, Hong Kong, Macau, Taiwan , and member countries of ASEAN*						EUREKA
	JWATM214 [2]	GPC3	HCC	Mainland China, Hong Kong, Macau, Taiwan, and member countries of ASEAN*						Lyell EUREKA
	JWATM203 [1]	AFP	HCC	Mainland China, Hong Kong, Macau, Taiwan, and member countries of ASEAN*						EUREKA
	JWATM213	AFP	HCC	Mainland China, Hong Kong, Macau, Taiwan, and member countries of ASEAN*						Lyell EUREKA
	JWTCR001	MAGE-A4	various solid tumors	Mainland China, Hong Kong, Macau						2seventybio
	JWCAR031	DLL3	SCLC	Mainland China, Hong Kong, Macau						Bristol Myers Squibb

Abbreviations: HCC = hepatocellular carcinoma; NSCLC = non-small cell lung cancer; AFP = alpha-fetoprotein; GPC3 = glypican-3; r/r = relapsed or refractory; HAS = hepatoid adenocarcinoma of the stomach; MAGE-A4 = melanoma associated antigen A4; DLL3 = Delta-like ligand 3.

* Mainland China, Hong Kong, Macau and Taiwan refer to Mainland China, Hong Kong (China), Macau (China) and Taiwan (China), respectively.

1. JWATM204 is in a Phase I investigator-initiated trial in China. Eureka's products based on the CAR constructs underlying JWATM203 and JWATM204 are currently in Phase I/II trials in the US conducted by Eureka under an IND application. In November 2021, the FDA granted Fast Track Designation to Eureka's counterpart to JWATM203 for the treatment of hepatoblastoma ("**HB**") and HCC in pediatric patients, as well as "rare pediatric disease designation" for the treatment of HB. In February 2022, the FDA granted Orphan Drug Designation to Eureka's counterparts to JWATM203 and JWATM204.

2. Developing using Lyell technology.

JWATM204/214

JWATM204 is a validated autologous, non-HLA-restricted, T-cell receptor T-cell ("**TCR-T**") therapy candidate built on Eureka's ARTEMIS® and E-ALPHA® platforms and targeting glypican-3 ("**GPC3**") for the treatment of HCC. Treatment of HCC represents a huge unmet medical need in China, and we believe that JWATM204 has the potential to be a treatment for patients with GPC3-positive HCC. In June 2020, we in-licensed from Eureka the rights to develop, manufacture and commercialize JWATM204 in Mainland China, Hong Kong, Macau, Taiwan[5] and the member countries of the Association of Southeast Asian Nations (the "**JW Territory**"). We completed manufacturing process development for the JWATM204 in the third quarter of 2021 by leveraging our relma-cel manufacturing process platform. In July 2022, we commenced an IIT of JWATM204 as a treatment for patients with advanced HCC, and we have already administered JWATM204 to several patients in connection with this trial. We have completed the dose exploration phase of this study and have observed preliminary efficacy and safety data.

Through our partnerships with Eureka and Lyell, we have combined Lyell's technology in T-cell anti-exhaustion functionality with JWATM204 to create a novel product, JWATM214, for HCC treatment. In 2022, we focused on vector manufacturing process development for the JWATM214 program and have a vector manufacturing process development based entirely in China. In February 2023, we commenced an IIT relating to JWATM214 as a treatment for patients with advanced HCC. With respect to the ongoing IIT relating to JWATM214 as a treatment for patients with advanced HCC, the dose-finding phase was completed in the first half of 2024 and we currently expect this IIT to be completed by the end of 2024.

JWATM203/213

JWATM203 is a potentially superior autologous T-cell receptor mimic ("**TCRm**") T-cell therapy targeting alpha-fetoprotein ("**AFP**") for the treatment of HCC. In June 2020, we in-licensed from Eureka the rights to develop, manufacture and commercialize JWATM203 in the JW Territory. As with JWATM204, we also plan to combine Lyell's technology in T-cell anti-exhaustion functionality with JWATM203 and Eureka's ARTEMIS® technology platform to create JWATM213, an additional autologous cell therapy for HCC treatment.

5 Mainland China, Hong Kong, Macau and Taiwan refer to Mainland China, Hong Kong (China), Macau (China) and Taiwan (China), respectively.

JWTCR001

JWTCR001 is a specific cell therapy product directed to MAGE-A4 (including any mutations, fragments, modifications or derivatives of the engineered TCR binding MAGE-A4). MAGE-A4 is a highly prevalent antigen in a wide variety of malignant tumors, including non-small cell lung cancer, melanoma, bladder, head and neck, gastroesophageal and ovarian cancers, and thus an ideal target indication for TCR-T therapy. We have utilized the CTBR12 TGF-beta ("**FLIP**") receptor technique developed by Regeneron, which potentially increases efficacy. Early phase clinical trials[6] have previously demonstrated that TCR-T cell therapies targeting MAGE-A4 can have meaningful clinical efficacy for treatment of MAGE-A4-expressing solid tumors. The biologics license application ("**BLA**") for treatment of synovia sarcoma was accepted by the U.S. FDA on January 31, 2024, and priority review has been granted.

In October 2022, we established a strategic alliance with 2seventy bio to develop and commercialize a cell therapy product directed to MAGE-A4 (including any mutations, fragments, modifications or derivatives of the engineered binding element for MAGE-A4) in oncology indications. The agreement is focused on the technologies and know-how possessed by 2seventy bio, and also includes future prospects for the development and commercialization of the product in Greater China based on addressable patient population and unmet medical needs. We believe that the Company may be able to secure a first-mover or early-mover advantage in a highly promising market through development of such a therapy. We have established our manufacturing process for a product directed to MAGE-A4 in anticipation of commencement of an IIT, and this study has started to enroll patients from the first quarter of 2024.

JWCAR031

JWCAR031 is a specific CAR-T product specifically directed to DLL3 that contains a construct that we in-licensed from Juno and that is manufactured using the JW manufacturing process. While activation and up-regulation of Notch would generally induce tumor formation and promote tumor development, its activation and up-regulation in neuroendocrine tumors could suppress tumor growth, specifically in small cell lung carcinoma ("**SCLC**"). Thus DLL3 plays a key role in the signaling pathway that regulates tumorigenesis, disease progression and chemoresistance. Taking SCLC as an illustration, DLL3 is highly expressed in about 80% of the patients, and clinical studies have demonstrated that DLL3 in SCLC is negatively correlated with patients' survival.

6 Adaptimmune's Surpass and Spearhead trials, as reported at the European Society for Medical Oncology (2022).

JWCAR031 is being developed under the agreement that we entered into with Juno in December 2022 for the research, development, manufacturing and commercialization of new cellular therapy products specifically directed to DLL3 in Greater China, taking into consideration Juno's leading position in the field of cell therapy and the significant market potential of such products as evidenced by the addressable markets. We believe that we have the potential to be one of the early movers in such highly promising market through this development.

Cautionary Statement required by Rule 18A.05 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"): We cannot guarantee that we will be able to successfully develop or ultimately market Carteyva® in indications beyond the current NMPA-approved label, or to successfully develop or ultimately market our other pipeline products. Shareholders and potential investors of the Company are advised to exercise due care when dealing in the shares of the Company.

Discovery and Pre-clinical Research

Our early research and development efforts are focused on engineering innovative pipeline products that make the most of our infrastructure and expertise. Following the successful registration and commercialization of our personalized anti-CD19 CAR product in China, we have established an efficient framework for collecting, manufacturing, and delivering autologous CAR therapies to patients in need. Building on this success, our early research aims to further leverage this framework by developing new autologous products with enhanced features and expanding their commercialization to international markets without regional restrictions. With global commercialization envisioned, we intend to engineer our new pipeline products in a way that will maximize their values to us.

Our new pipeline products will primarily focus on addressing unmet needs for hematological cancers, solid tumors and autoimmune diseases, with an aim to overcome key challenges and limitations in this field. Alongside developing new products, by means of early research, we also invest substantial effort into strengthening our existing pipeline through process modifications and incorporation of additional components. These products will incorporate additional "Armor" elements that are designed in-house to enhance the anti-cancer function of CAR therapies. By combining these Armor elements with the CAR products, we aim to prolong the duration of therapy in patients and make it less responsive to suppressive signals produced by tumors, so as to achieve better outcomes in patients.

Furthermore, all of these new products will benefit from our next-generation product processing method, which has been internally developed to accelerate manufacturing, reduce costs and maintain the product in an optimal state compared to conventional methods.

One of our first in-house developed products will be a dual targeting autologous CAR T-cell therapy designed for B-cell malignancies and autoimmune diseases. By incorporating dual targeting, this product is expected to have a broader range of effectiveness, increase the signaling threshold, and significantly reduce the risk of relapse due to antigen downregulation or loss, commonly observed in hematological cancers. Additionally, we plan to equip this product with enhancing Armored elements to improve performance and shield it from suppressive factors produced by the tumor's defense systems. Our next-generation processing techniques will be deployed to manufacture this product, aiming to deliver a more potent, rapid and cost effective therapy. The CAR product for autoimmune diseases (JWCAR201) is currently expected to be delivered to the clinic by the third quarter of 2024 while the enhanced CAR product for B-cell malignancies is currently expected to be delivered to the clinic by the first half of 2025. Both of these products are intended for commercialization both within and outside China.

In addition, we are developing two new CAR products for solid tumor indications. Both products are designed, engineered and intended for commercialization within and outside China and are expected to be delivered to the clinic in 2025. Both of these products express enhancing Armored elements and take advantage of our next generation cellular processes, designed to increase product potency and reduce manufacturing cost and time.

The following chart summarizes the current development status of our potential new products:

Indication	Target	Commercial	Pre-clinical	IIT
Autoimmune diseases	Dual Targeting	Worldwide		Expected in Q3 2024
B-cell malignancies	Dual Targeting	Worldwide		Expected in H1 2025
Solid tumor 1	To be announced	Worldwide		Expected in 2025
Solid tumor 2	To be announced	Worldwide		Expected in 2025

Finally we continue to explore innovative approaches to streamline and simplify the manufacturing process. In light of published performance challenges faced by off-the-shelf allogeneic product, we are refocusing our manufacturing efforts on our core strength which is lenti-autolugous products. We are committed to improve these practices to deliver a faster, cost-effective and robust therapy. These innovative manufacturing approaches aim to produce CAR T-cell products that are more potent and less exhausted, ensuring better patient outcomes.

Manufacturing

In June 2020, we received a production license from Jiangsu Province authorities for our new commercial manufacturing facility in Suzhou. This facility provides approximately 10,000 square meters for commercial and clinical manufacturing in compliance with Good Manufacturing Practice ("**GMP**") and Quality Management System ("**QMS**") standards. It is designed to house four independent modules. The design of these modules can be adapted to support all cell platforms, including those using gene-modified autologous T-cells and natural killer ("**NK**") cells, gene-modified or non-gene-modified tumor-infiltrating lymphocyte and gene-modified allogeneic immune cells, as well as facilities to produce GMP grade viral vectors that are used to genetically modify these cells.

Our Suzhou operations have been executing according to our commercialization plans and have made significant achievements during the past several years. In March 2021, we received and passed relma-cel Pre-approval Inspection ("**PAI**") conducted jointly by the NMPA and Jiangsu Medical Products Administration with no critical or major observations. In June 2021, our production license for Suzhou site was renewed with the license type changed from As to As+Cs (A as Marketing Authorization Holder ("**MAH**") owner and manufacturer, C as contract manufacturing organization ("**CMO**"), s as bio products). Currently, all three modules have been approved and are in full GMP operations. With current regulatory approval, we can meet manufacturing needs for both commercial and clinical supplies and have maintained a high manufacturing success rate of 98% since our LBCL registration clinical trial. After initial product launch, we have gained multiple approvals for manufacturing capacity expansion in the fourth quarter of 2022, the first quarter and the fourth quarter of 2023. We continue working with relevant regulatory agencies to further increase our manufacturing capacity in order to meet the increased demands.

As a critical material, sustainable lentiviral vector supply is necessary to ensure our final product manufacturing and supply. We continuously invest resources in establishing our own capability in vector development and manufacturing. We have developed a platform process and successfully manufactured vectors to support clinical programs. Furthermore, we are establishing vector capability for commercial product.

Future and Development

Our vision is becoming an innovation leader in cell immunotherapy, we intend to focus on pursuing the following strategies to achieve that vision:

- Continue to drive full scale commercialization of Carteyva®.

- Solidify our leadership in hematology by continuing to develop Carteyva® for earlier lines of treatment and additional indications, as well as further expanding clinical development for autoimmune diseases.

- Leverage our integrated cell therapy platform to expand into the solid tumor market.

- Continuously enhance our manufacturing capability and implement cost reduction plan through innovation and scale.

- Grow our business through in-licensing opportunities, partnerships and selective acquisitions, as well as in-house R&D.

FINANCIAL REVIEW

Six Months Ended June 30, 2024 Compared to Six Months Ended June 30, 2023

IFRS Measure:

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue	**86,815**	87,740
Cost of sales	**(43,070)**	(42,927)
Gross profit	**43,745**	44,813
General and administrative expenses	**(59,233)**	(78,694)
Research and development expenses	**(151,008)**	(216,531)
Selling expenses	**(76,172)**	(60,168)
Other income	**1,884**	1,836
Other gains/(losses), net	**(6,729)**	(81,176)
Operating loss	**(247,513)**	(389,920)
Finance income	**13,299**	15,088
Finance costs	**(6,053)**	(5,583)
Finance income/(costs) — net	**7,246**	9,505
Loss before income tax	**(240,267)**	(380,415)
Income tax expense	**—**	—
Loss for the period	**(240,267)**	(380,415)
Other comprehensive income/(loss):		
Items that will not be reclassified to profit or loss		
— Exchange differences on translation	**19,548**	134,570
Other comprehensive income/(loss) for the period, net of tax	**19,548**	134,570
Total comprehensive loss for the period	**(220,719)**	(245,845)
Non-IFRS measure:		
Adjusted loss for the period	**(214,712)**	(267,072)

1. Revenue

Revenue was RMB86.8 million for the six months ended June 30, 2024, as compared to RMB87.7 million for the six months ended June 30, 2023. Revenue was recognized at the point of infusion. This stable sales performance was attributed to the ongoing commercialization of our anti-CD19 autologous CAR-T cell immunotherapy product, Carteyva® (relma-cel, R&D code: JWCAR029). Carteyva® was approved for treating adult patients with r/r LBCL and r/r FL. As the market continues to evolve, we anticipate a sustained increase in revenue from the sales of Carteyva®, which has a superior product profile that could bring break through value to patients and additional indications are expected to be approved.

The following table sets forth a breakdown of revenue from our products for the period indicated:

	Six months ended June 30,			
	2024		2023	
	RMB'000	***%***	*RMB'000*	*%*
	(Unaudited)		(Unaudited)	
Carteyva®	**86,815**	**100.0**	87,740	100.0
Total revenue	**86,815**	**100.0**	87,740	100.0

2. Cost of Sales

Cost of sales was RMB43.1 million for the six months ended June 30, 2024, as compared to RMB42.9 million for the six months ended June 30, 2023. Cost of sales primarily consists of raw material costs, staff costs, depreciation and amortization, manufacturing overhead and others.

The following table sets forth a breakdown of cost of sales for the period indicated:

	Six months ended June 30,			
	2024		2023	
	RMB'000	***%***	*RMB'000*	*%*
	(Unaudited)		(Unaudited)	
Carteyva®	**43,070**	**100.0**	42,927	100.0
Total cost of sales	**43,070**	**100.0**	42,927	100.0

3. Gross Profit and Gross Profit Margin

Gross profit represents revenue minus cost of sales. Gross profit margin represents our gross profit as a percentage of our revenue.

Gross profit was RMB43.7 million and gross profit margin was 50.4% for the six months ended June 30, 2024, which remains stable as compared to RMB44.8 million and 51.1%, respectively, for the six months ended June 30, 2023.

4. R&D Expenses

The following table provides a breakdown of R&D expenses for the six months ended June 30, 2023 and 2024:

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Employee benefit expenses	**68,320**	92,012
Testing and clinical fees	**29,602**	38,520
Depreciation and amortization	**27,401**	30,648
R&D materials	**17,853**	42,297
Office expenses	**5,365**	8,512
Others	**2,467**	4,542
R&D expenses	**151,008**	216,531

R&D expenses decreased from RMB216.5 million for the six months ended June 30, 2023 to RMB151.0 million for the six months ended June 30, 2024. This decrease was primarily attributable to: (i) a decrease of approximately RMB23.7 million in employee benefit expenses; (ii) a decrease of approximately RMB24.4 million in R&D materials; (iii) a decrease of approximately RMB8.9 million in testing and clinical fees; and (iv) a decrease of approximately RMB3.1 million in office expenses.

5. General and Administrative Expenses

The following table provides a breakdown of general and administrative expenses for the six months ended June 30, 2023 and 2024:

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Employee benefit expenses	**33,125**	46,831
Professional service fees	**12,672**	15,471
Depreciation and amortization	**5,560**	6,344
Office expenses	**4,748**	6,019
Non-audit remuneration	**556**	555
Others	**2,572**	3,474
General and Administrative Expenses	**59,233**	78,694

General and administrative expenses decreased from RMB78.7 million for the six months ended June 30, 2023 to RMB59.2 million for the six months ended June 30, 2024. This decrease resulted primarily from a decrease of approximately RMB13.7 million in employee benefit expenses and third party professional service fees.

6. Selling Expenses

The following table provides a breakdown of selling expenses for the six months ended June 30, 2023 and 2024:

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Employee benefit expenses	**21,350**	30,122
Business promotion fees	**50,096**	25,932
Professional service fees	**2,926**	1,508
Office expenses	**1,470**	2,044
Others	**330**	562
Selling expenses	**76,172**	60,168

Selling expenses increased from RMB60.2 million for the six months ended June 30, 2023 to RMB76.2 million for the six months ended June 30, 2024. This increase was primarily due to an increase of RMB24.2 million in business promotion fees resulting from business strategy implementation. The effect of the increased promotion fees was partially offset by the decrease of RMB8.8 million in employee benefit expenses, which was part of our optimization of selling expenses to remain competitive in order to support the commercialization of Carteyva®.

7. Other Income

Other income amounted to RMB1.9 million for the six months ended June 30, 2024, as compared to RMB1.8 million for the six months ended June 30, 2023. Other income in both periods was related to government grants.

8. Other Gains and Losses

Other gains and losses amounted to net other losses of RMB6.7 million for the six months ended June 30, 2024, as compared to net other losses of RMB81.2 million for the six months ended June 30, 2023. This change resulted primarily from a net foreign exchange loss of RMB7.0 million for the six months ended June 30, 2024, as compared to a net foreign exchange loss of RMB81.4 million for the six months ended June 30, 2023. These losses mainly arose from the unrealized foreign exchange loss as a result of the relatively stable exchange rate of RMB against USD and HKD when exchanging the transactional currency (RMB) to the functional currencies (USD and HKD) for our offshore companies within the Group, as compared to the same period in 2023. These unrealized foreign exchange losses are non-cash items.

9. Income Tax Expense

For the six months ended June 30, 2023 and 2024, we did not incur any income tax expense, as we did not generate taxable income in either period.

10. Loss for the Period

As a result of the above items, loss for the period was RMB240.3 million for the six months ended June 30, 2024, as compared to RMB380.4 million for the six months ended June 30, 2023. The decrease was primarily attributable to: (i) decrease in R&D expenses resulting from further improved operation efficiency in the Reporting Period; (ii) decrease in general and administrative expenses due to improved workforce efficiency; and (iii) decrease in net other losses. The effects of the factors mentioned above were partially offset by the increase in selling expenses to support the commercialization of Carteyva®.

11. Non-IFRS Measure

To supplement the Group's consolidated financial statements, which are presented in accordance with IFRS, we also use adjusted loss for the period as an additional financial measure, which is not required by, or presented in accordance with IFRS. We believe that these adjusted measures provide useful information to Shareholders and potential investors in understanding and evaluating our consolidated results of operations in the same manner as they help our management.

Adjusted loss was RMB214.7 million for the six months ended June 30, 2024, representing a decrease of RMB52.4 million from RMB267.1 million for the six months ended June 30, 2023. The decrease was primarily attributable to decrease in net other losses, R&D expenses and general and administrative expenses.

Adjusted loss for the period represents the loss for the period excluding the effect of certain non-cash items and one-time events, namely the loss on share-based compensation expenses and net foreign exchange losses. The term adjusted loss for the period is not defined under IFRS. The use of this non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under IFRS. Our presentation of this adjusted figure may not be comparable to similarly titled measures presented by other companies. However, we believe that this non-IFRS measure reflects our core operating results by eliminating potential impacts of items that our management do not consider to be indicative of our core operating performance, and thus, facilitate comparisons of core operating performance from period to period and company to company to the extent applicable. The table below sets forth a reconciliation of loss to adjusted loss for the periods indicated:

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Loss for the period	**(240,267)**	(380,415)
Added:		
Share-based compensation expenses	**18,557**	31,954
Net foreign exchange losses	**6,998**	81,389
Adjusted loss for the period (Non-IFRS)	**(214,712)**	(267,072)

Selected Data from Statement of Financial Position

	As at June 30, 2024 ***RMB'000*** **(Unaudited)**	As at December 31, 2023 *RMB'000* (Audited)
Total current assets	**944,366**	1,067,484
Total non-current assets	**1,035,455**	1,078,613
Total assets	**1,979,821**	2,146,097
Total current liabilities	**323,426**	264,469
Total non-current liabilities	**174,451**	197,790
Total liabilities	**497,877**	462,259
Net current assets	**620,940**	803,015

12. Liquidity and Sources of Funding and Borrowing

As of June 30, 2024, current assets amounted to RMB944.4 million, including cash and cash equivalents of RMB869.0 million and other current assets of RMB75.4 million. As at the same date, current liabilities amounted to RMB323.4 million, primarily including borrowings of RMB192.5 million, trade and other payables of RMB91.4 million, and contract liability of RMB23.2 million.

Since 2022, we strictly controlled our cash expenditures and actively diversified and expanded our financing channels to provide financial assurance for our future development. As of June 30, 2024, we have unsecured bank borrowings in the amount of RMB333.6 million, which includes: (i) unsecured long term bank borrowings in the amount of RMB163.6 million; and (ii) unsecured bank liquidity borrowings drawdown in the amount of RMB170.0 million from the bank facilities which multiple banks have granted. As of the date of this announcement, the Group has available unutilized bank loan facilities of RMB403.9 million.

As of June 30, 2024, cash and cash equivalents were RMB869.0 million, representing a net cash outflow of RMB136.9 million for the six months ended June 30, 2024 compared to RMB110.4 million for the six months ended June 30, 2023. The cash outflow was primarily due to payments of selling expenses, R&D expenses, general and administrative expenses, purchase of intangible assets, and decrease in repayment of fundings and interest from related party. These payments were partially offset by increased bank borrowings.

13. Key Financial Ratios

The following table sets forth the key financial ratios of the Group as of the dates indicated:

	As of June 30, 2024	As of December 31, 2023
Current ratio[(1)]	**2.9**	4.0
Ratio of total liabilities to total assets[(2)]	**0.3**	0.2
Gearing ratio[(3)]	**N/A[(4)]**	N/A[(4)]

(1) Current ratio equals current assets divided by current liabilities as of the date indicated.

(2) Ratio of total liabilities to total assets equals total liabilities divided by total assets as of the date indicated.

(3) Gearing ratio is calculated using interest-bearing borrowings less cash and cash equivalents divided by total equity and multiplied by 100%.

(4) Gearing ratio is not applicable as our interest-bearing borrowings less cash equivalents was negative.

14. Material Investments

We did not make any material investments during the six months ended June 30, 2024.

15. Material Acquisitions and Disposals

We did not engage in any material acquisitions or disposals during the six months ended June 30, 2024.

16. Pledge of Assets

As of June 30, 2024, the Group had no pledge of assets.

17. Contingent Liabilities

As of June 30, 2024, we did not have any material contingent liabilities.

18. Foreign Exchange Exposure

The Group mainly operated in Mainland China and a majority of its transactions were settled in RMB. We have financed our business principally through equity financings and the Global Offering with related proceeds denominated in USD ultimately. We converted a portion of those USD proceeds to RMB, with the remaining amounts reserved for additional conversions to RMB as needed. With the continuous appreciation of USD against the RMB, holding USD assets will enhance the purchasing power of the Group.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the Reporting Period. Differences arising on settlement or translation of monetary items are recognized in profit or loss. During the six months ended June 30, 2024, foreign exchange risk arose from the assets and liabilities denominated in RMB which is different from the functional currencies of the Company due to the weakening of RMB against USD and HKD in the first half of 2024. The management seeks to limit our exposure to foreign currency risk by closely monitoring and minimizing its net foreign currency position. During the Reporting Period, the Group did not enter into any currency hedging transactions.

19. Employees and Remuneration

As of June 30, 2024, we had 323 employees representing a decrease of 34.1% from 490 employees as of June 30, 2023. The following table sets forth the total number of employees by function as of June 30, 2024:

	Number of Employees	**% of total**
Manufacturing operations	119	36.8
Research and development	57	17.7
Research and technical development	46	14.2
Commercial	43	13.3
Support functions and business development	36	11.2
Quality	22	6.8
Total	323	100.0

The total remuneration cost (including Directors' emoluments) incurred by the Group for the six months ended June 30, 2024 was RMB128.0 million, as compared to RMB174.5 million for the six months ended June 30, 2023.

The remuneration of the employees of the Group comprises salaries, bonuses, employees provident fund and social security contributions, other welfare payments and share-based compensation expenses. In accordance with applicable Chinese laws, the Group has 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 the Group's employees.

The Company has also adopted the Pre-IPO Incentivization Scheme, the Restricted Share Unit Scheme, the Post-IPO Incentivization Scheme and the Post-IPO Restricted Share Unit Scheme while no restricted share units or share options were granted to any directors, chief executive, substantial shareholders of the Company (or their respective associates), any participant with restricted share units or share options granted or to be granted exceeding the 1% individual limit, and no restricted share units or share options were granted to a related entity participant or service provider with restricted share units or share options granted and to be granted in any 12-month period exceeding 0.1% of the relevant class of shares in issue (excluding treasury shares) for the six months ended June 30, 2024 under any of the schemes. Please refer to the section headed "Share Incentivization Schemes" in the Company's forthcoming 2024 interim report for further details.

EVENTS AFTER THE REPORTING PERIOD

There have been no significant events since the end of the Reporting Period.

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

FOR SIX MONTHS ENDED JUNE 30, 2024

	Note	Six months ended June 30,	
		2024	2023
		RMB'000	*RMB'000*
		(Unaudited)	(Unaudited)
Revenue	*3*	**86,815**	87,740
Cost of sales		**(43,070)**	(42,927)
Gross profit		**43,745**	44,813
Other income	*4*	**1,884**	1,836
Other losses — net	*5*	**(6,729)**	(81,176)
Selling expenses		**(76,172)**	(60,168)
General and administrative expenses		**(59,233)**	(78,694)
Research and development expenses		**(151,008)**	(216,531)
Operating loss		**(247,513)**	(389,920)
Finance income		**13,299**	15,088
Finance costs		**(6,053)**	(5,583)
Finance income — net		**7,246**	9,505
Loss before income tax		**(240,267)**	(380,415)
Income tax expense	*6*	**—**	—
Loss for the period and attribute to the equity holders of the Company		**(240,267)**	(380,415)
Loss per share for the loss attributable to owners of the Company			
— Basic and diluted *(in RMB)*	*7*	**(0.58)**	(0.93)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

FOR SIX MONTHS ENDED JUNE 30, 2024

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Loss for the period	**(240,267)**	(380,415)
Other comprehensive income:		
Items that will not be reclassified to profit or loss		
— Exchange differences on translation	**19,548**	134,570
Other comprehensive income for the period, net of tax	**19,548**	134,570
Total comprehensive loss for the period and attribute to the equity holders of the Company	**(220,719)**	(245,845)

CONDENSED CONSOLIDATED BALANCE SHEETS

AS OF JUNE 30, 2024

	Note	**As at June 30, 2024** ***RMB'000*** **(Unaudited)**	As at December 31, 2023 *RMB'000* (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**257,284**	285,331
Right-of-use assets		**47,302**	55,800
Intangible assets	*9*	**717,138**	711,215
Prepayment for license		**7,127**	7,083
Other non-current assets		**6,604**	19,184
Total non-current assets		**1,035,455**	1,078,613
Current assets			
Inventories	*10*	**50,607**	34,778
Other current assets		**12,704**	9,928
Other receivables and prepayments		**12,021**	16,869
Cash and cash equivalents		**869,034**	1,005,909
Total current assets		**944,366**	1,067,484
Total assets		**1,979,821**	2,146,097
EQUITY			
Equity attribute to the owners of the Company			
Share capital		**27**	27
Reserves		**6,687,518**	6,649,145
Accumulated losses		**(5,205,601)**	(4,965,334)
Total equity		**1,481,944**	1,683,838

	Note	**As at June 30, 2024** ***RMB'000*** **(Unaudited)**	As at December 31, 2023 *RMB'000* (Audited)
LIABILITIES			
Non-current liabilities			
Borrowings	*12*	**141,100**	157,500
Lease liabilities		**33,351**	40,290
Total non-current liabilities		**174,451**	197,790
Current liabilities			
Borrowings	*12*	**192,500**	105,000
Lease liabilities		**13,583**	16,005
Trade and other payables	*11*	**91,448**	109,085
Contract liability	*3*	**23,158**	30,424
Other current liabilities		**2,737**	3,955
Total current liabilities		**323,426**	264,469
Total liabilities		**497,877**	462,259
Total equity and liabilities		**1,979,821**	2,146,097

1 General information

JW (Cayman) Therapeutics Co. Ltd (the "**Company**") was incorporated in the Cayman Islands, with its registered office situate at the offices of Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands, on September 6, 2017 as an exempted company with limited liability.

The Company and its subsidiaries, hereinafter collectively referred to as the "Group" are primarily engaged in research and development ("**R&D**"), manufacturing, and marketing of cellular immunotherapy products in the People's Republic of China (the "**PRC**").

The Company's shares began to list on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on November 3, 2020 (the "**Listing**").

The condensed interim financial information was approved for issue by the directors on August 28, 2024.

The condensed interim financial information has been reviewed, but not audited.

2 Material accounting policy information

2.1 Basis of preparation

This condensed interim financial information for the six months ended June 30, 2024 has been prepared in accordance with International Accounting Standard ("**IAS**") 34, "Interim Financial Reporting" issued by the International Accounting Standards Board ("**IASB**"). This Condensed Interim Financial Information should be read in conjunction with the annual financial statements for the year ended December 31, 2023, which have been prepared in accordance with IFRS Accounting Standards issued by International Accounting Standards Board ("**IASB**") and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622 ("**HKCO**").

The consolidated financial statements have been prepared on a going concern basis and under the historical cost convention.

Except as described below and for the estimation of income tax using the tax rate that would be applicable to expected total annual earning, the material accounting policy information and methods of computation used in the preparation of the Condensed Interim Financial Information are consistent with the 2023 Annual Financial Statements.

2.2 New standard, amendments and interpretation adopted by the Group

A number of new standard, amendments and interpretation became applicable for the current reporting period and the Group changed its accounting policies and make adjustments as a result of adopting these new standard, amendments and interpretation set out below:

- Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants — Amendments to IAS 1;

- Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause — IAS Int 5 (Revised); and

- Supplier Finance Arrangements — Amendments to IAS 7 and IFRS 7.

The adoption of the above new amendments to existing standards do not have a material impact on the Group.

2.3 New standards and interpretations not yet adopted

Certain new accounting standards, amendments and interpretations have been published but are not mandatory for the financial year beginning January 1, 2024 and have not been early adopted by the Group. These new accounting standards, amendments and interpretations are not expected to have a material impact on the Group's financial statements when they become effective.

3 Revenue

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from sales of goods — at point in time	**86,815**	87,740

The Group recognized the following liabilities related to the contracts with customers:

	As at June 30, 2024	As at December 31, 2023
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Contract liabilities	**23,158**	30,424

Contract liabilities represent advance from customers and are recognized when payments are received before the control of goods is transferred to the customer.

4 Other income

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Government grants — cost related *(Note)*	**1,884**	1,836

Note: The government grants and subsidies related to funding received to compensate for the Group's research and development expenses. Some of the grants received are related to future costs expected to be incurred and require the Group to comply with conditions attached to the grants and the government to acknowledge the compliance of these conditions. When the required conditions set by the government for such grants are met, the proportion of the qualified funds is recognized as "other income" and the remaining balance is recorded as "Trade and other payables — deferred income".

5 Other losses — net

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Net foreign exchange loss	**(6,998)**	(81,389)
Others	**269**	213
Total	**(6,729)**	(81,176)

6 Income tax expense

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current income tax	**—**	—
Deferred income tax	**—**	—
	—	—

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operated.

(a) Cayman Islands income tax

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. There is no income tax in the Cayman Islands and accordingly, the operating results reported by the Company, is not subject to any income tax in the Cayman Islands.

(b) Hong Kong income tax

No provision for Hong Kong profits tax has been provided for at the rate of 16.5% as the Company has no estimated assessable profit.

(c) United States of America income tax

Entities in the State of Delaware are subject to Federal Tax at a rate of 21% and State of Delaware Profits Tax at a rate of 8.7%. Operations in the United States of America have incurred net accumulated operating losses for income tax purposes and no income tax provisions are recorded during the period ended June 30, 2024 and year ended December 31, 2023.

(d) The PRC corporate income tax

Subsidiaries in Mainland China are subject to income tax at a rate of 25% pursuant to the Corporate Income Tax Law of the PRC and the respective regulations (the "**CIT Law**"), with the exception of JW Therapeutics (Shanghai) Co., Ltd. ("**JW Shanghai**") obtained its High-Tech Enterprise status in year 2022 and hence is entitled to a preferential tax rate of 15% for a three-year period commencing 2022.

No provision for Mainland China corporate income tax was provided for, as there was no assessable profit.

7 Loss per share

(a) Basic loss per share

Basic loss per share is calculated by dividing the loss of the Group attribute to owners of the Company by weighted average number of ordinary shares issued during the period.

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Loss attributable to the ordinary equity holders of the Company *(RMB'000)*	**(240,267)**	(380,415)
Weighted average number of ordinary shares in issue *(in thousand)*	**413,083**	411,127
Basic loss per share *(RMB)*	**(0.58)**	(0.93)

(b) Diluted loss per share

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

For the period ended June 30, 2024, the Company had one category of potential ordinary shares: the stock options granted to employees. As the Group incurred losses for the period ended June 30, 2024, the potential ordinary shares were not included in the calculation of diluted loss per share as their inclusion would be anti-dilutive. Accordingly, diluted loss per share for the period ended June 30, 2024 are the same as basic loss per share.

8 Dividend

No dividend was paid nor declared by the Company for the period ended June 30, 2024 (six months ended June 30, 2023: Nil).

9 Intangible assets

	Computer software *RMB'000*	Licenses *RMB'000* *(Note)*	Construction in progress *RMB'000*	Total *RMB'000*
Six months ended June 30, 2023 (Unaudited)				
Opening net book amount	44,222	849,334	128	893,684
Additions	—	—	122	122
Transfer	85	—	(85)	—
Amortization charges	(3,001)	(5,896)	—	(8,897)
Currency translation differences	—	31,746	—	31,746
Closing net book amount	41,306	875,184	165	916,655
As at June 30, 2023 (Unaudited)				
Cost	52,623	895,698	165	948,486
Accumulated amortization	(11,317)	(20,514)	—	(31,831)
Net book amount	41,306	875,184	165	916,655
Six months ended June 30, 2024 (Unaudited)				
Opening net book amount	40,417	670,757	41	711,215
Additions	—	9,978	97	10,075
Transfer	138	—	(138)	—
Amortization charges	(3,053)	(6,384)	—	(9,437)
Currency translation differences	—	5,285	—	5,285
Closing net book amount	37,502	679,636	—	717,138
As at June 30, 2024 (Unaudited)				
Cost	54,934	893,519	—	948,453
Accumulated amortisation and impairment	(17,432)	(213,883)	—	(231,315)
Net book amount	37,502	679,636	—	717,138

Notes:

(a) Licenses

(i) Relma-cel License

In December 2017, the Group entered into License and Strategic Alliance Agreement ("**Relma-cel License**") with Juno Therapeutics, Inc. ("**Juno**") to develop and commercialize relma-cel in Mainland China, Hong Kong and Macau. The Group recognized a total amount of USD11,570,000 (equivalent to RMB75,601,000) as intangible assets in year 2017.

In January 2021, the Group completed the treatment of 100 patients with relma-cel in clinical trials. As such, the Group provided Juno milestone payment in cash in an amount of USD5,000,000 (equivalent to RMB32,462,000) in connection with the Relma-cel License and further recognized it as intangible assets.

In December 2022, the Group provided Juno reimbursement in cash in an amount of USD150,000 (equivalent to RMB1,045,000) and further recognized it as intangible assets.

In January 2024, the Group provided Juno Third Party Milestone Payment in cash in an amount of USD1,400,000 (equivalent to RMB9,978,000) and further recognized it as intangible assets.

As at June 30,2024, the carrying amount of the Relma-cel License amounted to RMB95,141,000 (2023: RMB91,000,000) (which is net of the accumulated amortisation of RMB32,675,000 (2023: RMB26,291,000)).

(ii) BCMA license

In April 2019, the Group entered into License Agreement — BCMA ("**BCMA License Agreement**") with Juno to develop and commercialize JWCAR129 in Mainland China, Hong Kong and Macau. The Group recognized a total amount of USD9,140,000 (equivalent to RMB61,318,000) as intangible assets in year 2019.

(iii) Eureka licenses

In June 2020, the Group acquired the licenses in a business combination and recognized the licenses, which includes certain licenses under development and commercialization in Mainland China, Hong Kong, Macau, Taiwan and the member countries of Association of South East Asia Nation, at fair value on the acquisition date ("**Eureka Licenses**"). The Group recognized a total amount of USD95,300,000 (equivalent to RMB674,676,000) as intangible assets in year 2020.

In December 2023, impairment test was performed by an engaged independent valuer. The Company concluded that a provision for impairment of RMB181,208,000 was required to be recognized.

(iv) 2seventy license

In October 2022, the Group entered into the Collaboration Agreement with 2seventy bio, Inc. ("**2seventy**") for the development and commercialization a cell therapy product directed to MAGE-A4 in Greater China. The Group provided 2seventy upfront payment in cash in an amount of USD3,000,000 (equivalent to RMB20,894,000) and recognized it as intangible assets.

As at June 30, 2024, BCMA license, Eureka licenses and 2seventy license with total net book value of RMB584,495,000 were not yet ready for use.

10 Inventories

	As at June 30, 2024 ***RMB'000*** **(Unaudited)**	As at December 31, 2023 *RMB'000* (Audited)
Raw materials	**42,772**	24,297
Work in progress	**6,996**	9,785
Goods in transit	**839**	696
Total	**50,607**	34,778

11 Trade and other payables

	As at June 30, 2024 ***RMB'000*** **(Unaudited)**	As at December 31, 2023 *RMB'000* (Audited)
Trade payables	**16,697**	3,269
Payables for purchase of services and R&D materials	**34,656**	50,403
Accrued expenses	**20,924**	21,873
Staff salaries and welfare payables	**15,156**	22,535
Payroll tax	**2,067**	6,622
Payables for purchase of property, plant and equipment	**1,348**	3,383
Deferred income	**600**	1,000
Total	**91,448**	109,085

The aging of trade payables based on the demand note are as follows:

	As at June 30, 2024 ***RMB'000*** **(Unaudited)**	As at December 31, 2023 *RMB'000* (Audited)
Less than 1 year	**16,697**	3,269

The carrying amounts of trade and other payables (excluding accrued expenses) of the Group are denominated in the following currencies:

	As at June 30, 2024 ***RMB'000*** **(Unaudited)**	As at December 31, 2023 *RMB'000* (Audited)
RMB	**65,485**	67,086
USD	**4,983**	20,126
HKD	**57**	—
	70,525	87,212

12 Borrowings

	As at June 30, 2024 ***RMB'000*** **(Unaudited)**	As at December 31, 2023 *RMB'000* (Audited)
Non-current unsecured bank borrowings	**163,600**	172,500
Less: Current portion of long-term borrowings	**(22,500)**	(15,000)
Total non-current unsecured bank borrowings	**141,100**	157,500
Current unsecured bank borrowings	**170,000**	90,000
Current portion of long-term borrowings	**22,500**	15,000
Total current unsecured bank borrowings	**192,500**	105,000

USE OF NET PROCEEDS FROM LISTING

Our shares were listed on the main board of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on November 3, 2020 (the "**Listing**"). The Group received net proceeds (after deducting the underwriting fees and related costs and expenses) from the issue of new shares by the Company in its Listing and the subsequent over-allotment option partially exercised by the Joint Global Coordinators approximately HKD2,495.8 million.

Details of the planned applications of the net proceeds from the Global Offering were disclosed in the Prospectus and subsequently revised and disclosed in the 2023 annual results announcement of the Company dated March 20, 2024 (the "**Announcement**"). For further details and reasons for such changes, please refer to the Announcement. The table below sets out the revised planned applications of the net proceeds and the actual usage up to June 30, 2024.

Revised Intended Applications	**Revised amount of Unutilized Net Proceeds as of December 31, 2023** *(HKD million)*	**Revised percentage of Unutilized Net Proceeds**	**Net Proceeds brought forward for the Reporting Period** *(HKD million)*	**Actual usage up to June 30, 2024** *(HKD million)*	**Unutilized Net Proceeds as of June 30, 2024** *(HKD million)*
Research and development activities relating to treatment of hematologic malignancies (including treatment of first-line and second-line LBCL, r/r FL, MCL, ALL, and other programs initiated by the Company using relma-cel)	200.00	24.53%	200.00	123.00	77.00
Research and development activities relating to treatment of solid tumors (including treatment of various solid tumors targeting MAGE-A4 (including JWTCR001), treatment of SCLC and other programs initiated by the Company targeting DLL3 (including JWCAR031), and treatment of HCC and other programs initiated by the Company targeting GPC3 (including JWATM204/JWATM214))	100.00	12.27%	100.00	32.73	67.27
Research and development activities relating to treatment of autoimmune diseases (including treatment of SLE and other programs initiated by the Company using relma-cel)	240.00	29.44%	240.00	27.59	212.41
Potential collaborations, acquisitions and inlicensing opportunities (including potential future collaboration with Acepodia)	100.00	12.27%	100.00	—	100.00
Developing and upgrading technologies, manufacturing platform capabilities and developing new therapy areas	95.00	11.65%	95.00	—	95.00
Working capital and general corporate purposes	80.19	9.84%	80.19	34.17	46.02
Total	815.19	100.00%	815.19	217.49	597.70

As of June 30, 2024, unutilized net proceeds from the issue of new shares by the Company in its Listing (including the partial exercise of the over-allotment option by the Joint Global Coordinators) amounted to HKD597.70 million and are expected to be fully utilized by the end of 2025. The expected timeline for utilizing the remaining proceeds is based on the best estimation of the future market conditions made by the Group. It will be subject to change based on the current and future development of market conditions.

INTERIM DIVIDEND

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

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Listing Rules as its own code of corporate governance during the six months ended June 30, 2024.

Except as expressly described below, the Company has complied with all applicable code provisions of the CG Code during the six months ended June 30, 2024.

Separation of the Roles of the Chairman of the Board and Chief Executive Officer

Pursuant to code provision C.2.1 in Part 2 of the CG Code, the roles of the chairman of the Board (the "**Chairman**") and chief executive officer of the Company (the "**CEO**") should be separate and should not be performed by the same individual. Following Mr. Min Liu's appointment as the CEO and an executive Director, Dr. Li remains as the interim Chairman to provide support and facilitate a smooth transition, resigned as the CEO and has been redesignated as a non-executive Director. Upon the aforesaid changes taking effect from July 31, 2024, the roles of Chairman and CEO will be separately performed by Dr. Li and Mr. Min Liu, respectively. Also, the Company has clearly established the division of responsibilities between the Chairman and the CEO. It follows that the Company will be in full compliance with code provision C.2.1 in Part 2 of the CG Code with effect from July 31, 2024 and we considered that it is beneficial to the business prospects of the Group at present.

The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted its own code of conduct regarding securities transactions, namely the Code for Securities Transactions by Directors (the "**Securities Transactions Code**"), which applies to all Directors on terms no less than the required standard indicated by the Model Code for Securities Transactions by Directors of Listed Issuers as set out in the Appendix C3 to the Listing Rules (the "**Model Code**").

Specific enquiry has been made to all the Directors and they have confirmed that they have complied with the Securities Transactions Code during the six months ended June 30, 2024.

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

Neither the Company nor any of its subsidiaries have purchased, redeemed or sold any of the Company's listed securities (including sale of treasury shares) during the six months ended June 30, 2024. As of June 30, 2024, the Company did not hold any treasury shares of the Company.

AUDIT COMMITTEE

The Board has established the Audit Committee which is chaired by an independent non-executive Director, Mr. Yiu Leung Andy Cheung, and consists of another one independent non-executive Director, Mr. Kin Cheong Kelvin Ho, and one non-executive Director, Ms. Xing Gao. The primary duties of the Audit Committee are to assist the Board by monitoring the Company's ongoing compliance with the applicable laws and regulations that governs its business operations, providing an independent view on the effectiveness of the Company's internal control policies, financial management processes and risk management systems.

The Audit Committee had, together with the management and external auditor of the Company, reviewed the accounting principles and policies adopted by the Group and the unaudited condensed consolidated financial statements of the Group for the six months ended June 30, 2024.

PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND 2024 INTERIM REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This interim results announcement is published on the websites of the Stock Exchange (**www.hkexnews.hk**) and the Company (**www.jwtherapeutics.com**), and the 2024 interim report containing all the information required by the Listing Rules will be dispatched to the Shareholders and published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board
JW (Cayman) Therapeutics Co. Ltd
藥明巨諾（開曼）有限公司*
Yiping James Li
Chairman

Shanghai, PRC, August 28, 2024

As at the date of this announcement, the Board of Directors of the Company comprises Dr. Yiping James Li as Chairman and non-executive Director, Mr. Min Liu as executive Director, Ms. Xing Gao, Dr. Sungwon Song and Dr. Cheng Liu as non-executive Directors, and Mr. Yiu Leung Andy Cheung, Mr. Kin Cheong Kelvin Ho and Dr. Debra Yu as independent non-executive Directors.

* *For identification purpose only*