INNOCARE
诺诚健华

InnoCare Pharma Limited
諾誠健華醫藥有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 9969)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

The board (the "**Board**") of directors (the "**Directors**") of InnoCare Pharma Limited (the "**Company**", and together with its subsidiaries, the "**Group**") is pleased to announce the audited consolidated results of the Group for the year ended 31 December 2024 (the "**Reporting Period**"), together with the comparative figures for the year ended 31 December 2023. The consolidated financial statements of the Group for the Reporting Period have been reviewed by the Board and Audit Committee of the Company and confirmed by the Company's auditors.

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

FINANCIAL HIGHLIGHTS

	2024	2023
	RMB'000	*RMB'000*
Revenue	**1,009,448**	738,537
Cost of sales	**(138,441)**	(128,435)
Gross profit	**871,007**	610,102
Other income and gains	**210,828**	244,153
Selling and distribution expenses	**(419,961)**	(366,891)
Research and development expenses	**(814,027)**	(751,176)
Administrative expenses	**(183,860)**	(193,520)
Other expenses	**(46,428)**	(92,674)
Loss for the year	**(452,856)**	(645,632)
Adjusted loss for the year (as illustrated under "**Non-HKFRSs Measures**")	**(430,800)**	(490,668)

	31 December 2024	31 December 2023
	RMB'000	*RMB'000*
Cash and related accounts balances*	**7,762,911**	8,287,136

* Cash and related accounts balance include cash and bank balances, other financial assets balance and interest receivables balance.

Revenue of orelabrutinib increased by 49.1% to RMB1,000.4 million for the year ended 31 December 2024, compared to RMB670.7 million for the year ended 31 December 2023, driven by the rapid growth in sales for MZL indications and strong commercial execution. Total Revenue increased by 36.7% to RMB1,009.4 million for the year ended 31 December 2024, compared to RMB738.5 million for the year ended 31 December 2023, which was primarily attributable to the rapid ramp-up of orelabrutinib sales volume.

Gross profit increased by 42.8% to RMB871.0 million for the year ended 31 December 2024 from RMB610.1 million for the year ended 31 December 2023. Gross profit margin was 86.3% for the year ended 31 December 2024, representing an increase of 3.7 percentage point as compared with 82.6% for the year ended 31 December 2023. The gross profit margin improvement was primarily due to a change in the sales mix between drug and service revenue, as well as improved manufacturing efficiency for orelabrutinib.

Total Operational Expenses, including selling and distribution expenses, research and development expenses and administrative expenses, increased by 8.1% from RMB1,311.6 million for the year ended 31 December 2023 to RMB1,417.8 million for the year ended 31 December 2024. This change was mainly from (i) increased selling and distribution expenses by 14.5% from RMB366.9 million for the year ended 31 December 2023 to RMB420.0 million for the year ended 31 December 2024, whilst the selling and distribution expenses to drug sales ratio reduced from 54.6% in 2023 to 41.8% in 2024, mostly as a result of continuous improvements in operational efficiency and decreased share-based payment expenses; (ii) increased research and development expenses by RMB62.8 million from RMB751.2 million for the year ended 31 December 2023 to RMB814.0 million for the year ended 31 December 2024 primarily due to increased investment in advanced technology platform innovation and clinical trials aimed at accelerating the Group's transformation; and (iii) administrative expenses slightly decreased by 5.0% from RMB193.5 million for the year ended 31 December 2023 to RMB183.9 million for the year ended 31 December 2024.

Loss for the year decreased by 29.9% to RMB452.9 million for the year ended 31 December 2024 from RMB645.6 million for the year ended 31 December 2023.

Cash and related accounts balances stood at approximately RMB7.8 billion as of 31 December 2024. This robust cash position provides the Company with flexibility to expedite clinical development and invest in a competitive pipeline.

Non-HKFRSs Measures

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

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

	2024	2023
	RMB'000	*RMB'000*
Loss for the year	**(452,856)**	(645,632)
Adjust:		
Unrealized exchange loss	**32,848**	89,861
Share-based compensation expense	**(10,792)**	65,103
Adjusted loss for the year	**(430,800)**	(490,668)

BUSINESS HIGHLIGHTS

During the fiscal year, we have achieved remarkable progress in advancing our robust and diverse pipeline, which includes a portfolio of innovative and high-value assets with 2 commercialized products. We are conducting over 30 ongoing global trials at various clinical stages and maintaining strong business operations with a clear growth strategy across research and development ("**R&D**"), manufacturing, commercialization and collaboration.

A key focus has been on enhancing our commercialization capabilities. We have implemented strategic initiatives to expand market reach, optimize sales operations, and strengthen our commercial team. These efforts have resulted in improved market penetration and increased revenue from orelabrutinib.

Key milestones and achievements include:

BUILDING A LEADING FRANCHISE IN HEMATO-ONCOLOGY

With orelabrutinib as our backbone therapy, it plays a central role in our extensive pipeline in hemato-oncology. Alongside orelabrutinib, tafasitamab is expected to receive the Biologics License Application ("**BLA**") approval in the first half of 2025, and ICP-248 (mesutoclax) entered into a Phase III clinical trial in combination with orelabrutinib for the fixed-duration treatment of 1L chronic lymphocytic leukemia/small lymphocytic lymphoma ("**CLL/SLL**") in the first quarter of 2025. Together, orelabrutinib, tafasitamab, and ICP-248 form a robust product combination that will establish a solid foundation for our hematology-oncology strategy. With this powerful combination and ongoing developments from both internal and external sources, our goal is to become a leading player in hemato-oncology both in China and worldwide. We remain committed to addressing major diseases, such as non-Hodgkin lymphoma ("**NHL**"), leukemia and multiple myeloma, etc., through both monotherapies and combination therapies to provide effective solutions for patients globally.

Orelabrutinib

- We have achieved strong revenue growth of our core product 宜諾凱® (Orelabrutinib, Bruton Tyrosine Kinase ("**BTK**") inhibitor) in the year ended 31 December 2024. Orelabrutinib generated product revenue of RMB1,000.4 million for the year ended 31 December 2024, surpassing RMB1 billion for the first time, marking a significant milestone for the Company. This represents an increase of 49.1% compared to RMB670.7 million in the same period of 2023. The rapid sales growth was driven by several key factors, including:

  - All three approved indications, including relapsed and refractory chronic lymphocytic leukemia/small lymphocytic lymphoma ("**r/r CLL/SLL**"), relapsed and refractory mantle cell lymphoma ("**r/r MCL**") and relapsed and/or refractory marginal zone lymphoma ("**r/r MZL**") have been covered in the National Reimbursement Drug List ("**NRDL**") while maintaining stable pricing.

  - Orelabrutinib has been approved as the first and only BTK inhibitor for r/r MZL in China. MZL is the second most common B-cell NHL (*Marginal zone lymphoma: 2023 update on diagnosis and management. DOI: 10.1002/ajh.27058*). Orelabrutinib was officially included as a Class I recommended regimen for the treatment of r/r MZL patients in the Chinese Society of Clinical Oncology ("**CSCO**") Diagnosis and Treatment Guidelines for Malignant Lymphoma for 2024.

  - Our commercial capabilities have undergone significant enhancement. We have optimized and strengthened our commercial management team. The new management team has developed more executable strategies. Our dedicated team has been optimized to operate with heightened efficiency and strategic focus, ensuring effective execution of our market initiatives. This optimization has bolstered our ability to penetrate markets swiftly and effectively. These advancements underscore our commitment to delivering value and driving sustainable growth in our commercial endeavors.

  - Orelabrutinib's preferred safety profile has led to better patient compliance and an extended duration of therapy ("**DOT**").

- The expansion of orelabrutinib's indications continues to progress. The New Drug Application ("**NDA**") for orelabrutinib in the treatment of 1L CLL/SLL was accepted by the Center for Drug Evaluation ("**CDE**") in August 2024, with approval expected within this year.

- Patient enrollment of our Phase II registrational trial for r/r MCL has been completed and the NDA has been submitted to the Australian Therapeutic Goods Administration ("**TGA**").

ICP-B04 (Tafasitamab ("CD19") (Minjuvi®))

- In June 2024, the CDE of the National Medical Products Administration ("**NMPA**") accepted and granted priority review to the BLA for tafasitamab in combination with lenalidomide for adult patients with relapsed or refractory DLBCL ("**r/r DLBCL**") who are not eligible for Autologous Stem Cell Transplant ("**ASCT**"), with BLA approval anticipated in the first half of 2025. The Company has completed a single-arm, open-label, multicenter Phase II clinical study evaluating the safety and efficacy of tafasitamab combined with lenalidomide for the treatment of patients with r/r DLBCL. The primary endpoint is to evaluate the overall response rate ("**ORR**") assessed by investigator and by an independent review committee ("**IRC**"). The secondary endpoints are disease control rate ("**DCR**"), duration of response ("**DoR**"), progression-free survival ("**PFS**"), time to progression ("**TTP**"), time to response ("**TTR**"), overall survival ("**OS**"), and safety. During the European Hematology Association ("**EHA**") 2024 Hybrid Congress, the clinical data was presented. As of the data by 29 January 2024, the ORR assessed by IRC was 73.1%, with 32.7% of patients achieving complete response ("**CR**") and 40.4% of patients achieving partial response ("**PR**"). The ORR assessed by investigators was 69.2%, with 34.6% of patients reaching CR and 34.6% of patients achieving PR.

- As of the date of this announcement, the BLA of tafasitamab and lenalidomide combination therapy was approved by the Department of Health of the Hong Kong Special Administrative Region, Macau and Taiwan for adult patients with r/r DLBCL who are not eligible for ASCT. Under the early access program in the Boao Lecheng International Medical Tourism Pilot Zone and the Guangdong-Hong Kong-Macao Greater Bay Area ("**Greater Bay Area**"), prescriptions of tafasitamab in combination with lenalidomide have been issued in China at Ruijin Hainan Hospital and Guangdong Clifford Hospital for eligible DLBCL patients.

- Tafasitamab, in combination with lenalidomide, has obtained accelerated approval in the US and conditional marketing authorization approval in Europe for the treatment of adults with r/r DLBCL who are not eligible for ASCT. The combination therapy is the first available therapy for second-line treatment for r/r DLBCL patients. In China, tafasitamab in combination with lenalidomide was officially included as a Class II recommended regimen for the treatment of adult patients with r/r DLBCL who are ineligible for ASCT in the CSCO Guidelines.

ICP-248 (Mesutoclax)

- ICP-248 is a novel, orally bioavailable selective B-cell lymphoma-2 ("**BCL-2**") inhibitor. As of the latest update, 42 patients with treatment naive CLL/SLL ("**TN CLL/SLL**") were enrolled and treated with ICP-248 in combination with orelabrutinib, with no clinical or laboratory evidence of tumor lysis syndrome ("**TLS**") observed. This study is still in its early stages. At a median combination therapy duration of 5.5 months, we have observed the following data: the ORR, complete response rate ("**CRR**") in target lesions by imaging, and undetectable minimal residual disease ("**uMRD**") rate were 100%, 53.4%, and 46.2%, respectively (MRD checkpoint: 12 weeks after the initiation of combination treatment). We look forward to seeing further improvement in these results as follow-up continues. In February 2025, the CDE agreed to initiate the registrational Phase III clinical trial of ICP-248 in combination with orelabrutinib as a 1L therapy for the treatment of CLL/SLL patients in China. We expect the first patient to be enrolled in March 2025. We will make every effort to advance this combination therapy and bring benefits to 1L CLL/SLL patients as soon as possible.

- The Phase I/II dose escalation and expansion trial of ICP-248, which focuses on patients with CLL/SLL, MCL, and other NHL types, has shown positive results. The trial demonstrated a favorable safety profile and pharmacokinetic ("**PK**") properties, distinguishing ICP-248 from other BCL-2 inhibitors. To date, 62 patients have been dosed. Sixteen CLL/SLL and 24 MCL patients were treated with ICP-248 at 125 mg and had at least one response assessment: ORR was 87.5% and CRR was 6.3% in r/r CLL/SLL patients, while in r/r MCL patients, ORR and CRR were 79.2% and 37.5%, respectively. In 17 patients who were resistant to previous BTK inhibitor therapy, the ORR was 70.5% and CRR was 23.5%; in 10 CLL patients who failed prior BTK inhibitor treatment, the ORR was 80.0% and CRR was 10.0%. In March 2025, a type B meeting request was submitted to the CDE for the application of a Phase II single-arm registrational trial of ICP-248 for r/r MCL patients who failed prior BTKi-treatment. Additionally, in the U.S. and EU, a monotherapy bridging trial for r/r NHL is currently underway.

- ICP-248 has also received regulatory approval to conduct clinical trials for acute myeloid leukemia ("**AML**") in both China and Australia. Dose escalation and expansion studies are ongoing.

ICP-B02 (CM355)

- ICP-B02 is a CD20 × CD3 bi-specific antibody. We are conducting a Phase I/II clinical trial in China to assess the safety, tolerability, PK, and preliminary anti-tumor activity of ICP-B02 in r/r NHL. Dose escalation of the intravenous infusion

formulation ("**IV**") has been completed and the subcutaneous formulation ("**SC**") is currently being evaluated. Preliminary data from both IV and SC formulations have demonstrated good efficacy of ICP-B02 in patients with follicular lymphoma ("**FL**") and DLBCL.

- In January 2025, Beijing InnoCare Pharma Tech Co., Ltd. ("**Beijing InnoCare**"), a subsidiary of the Company, Keymed Biosciences (Chengdu) Co., Ltd. ("**Chengdu Keymed**"), a subsidiary of Keymed Biosciences Inc. (stock code: 02162) ("**Keymed**"), and Beijing Tiannuo Jiancheng Pharmaceutical Technology Co., Ltd. (the "**Joint Venture**"), a joint venture of the Company and Chengdu Keymed, which is owned 50% by Beijing InnoCare and 50% by Chengdu Keymed) entered into an exclusive license agreement with Prolium Bioscience Inc. ("**Prolium**") for the development and commercialization of ICP-B02. Beijing InnoCare and Chengdu Keymed will collectively receive an upfront and near-term payment of US$17.5 million based on their respective 50/50 ownership, and are entitled to receive additional milestone payments up to US$502.5 million based on the achievement of specific clinical, regulatory, and commercial milestones. Both Beijing InnoCare and Chengdu Keymed will also receive tiered royalties on future net sales of any products. As part of the consideration for the transaction, Beijing InnoCare and Chengdu Keymed (or their designated persons) will also be entitled to receive a minority equity stake in Prolium.

ICP-490

- ICP-490 is a proprietary, orally available small molecule that modulates the immune system and other biological targets through multiple mechanisms of action. We are conducting Phase I/II dose escalation and expansion studies in China with multiple myeloma and NHL patients. In September 2023, the Investigational New Drug application ("**IND**") approval was granted by the CDE to initiate the clinical trial for ICP-490 in combination with dexamethasone for multiple myeloma patients. ICP-490 combined with dexamethasone was well tolerated, and the preliminary efficacy has been confirmed at dose levels of ICP-490 ≥1.0mg in combination with dexamethasone in multiple myeloma patients. Pharmacodynamic ("**PD**") analysis showed deep degradation of primary biomarker Aiolos (IKZF3) and Ikaros (IKZF1). Another study to explore the safety and efficacy of ICP-490 in NHL is in progress, with first-patient-in ("**FPI**") expected in March 2025. ICP-490, as a monotherapy or in combination with other agents, will be further assessed in multiple myeloma and NHL patients.

ICP-B05 (CM369)

- ICP-B05, an anti-CC chemokine receptor 8 ("**CCR8**") monoclonal antibody, is a potential first-in-class drug co-developed by InnoCare and KeyMed Biosciences Inc. (2162.HK) as a monotherapy or in combination with other therapies for the treatment of various cancers. We are conducting a Phase I trial to evaluate the safety, tolerability, pharmacokinetic characteristics, and efficacy of ICP-B05 in subjects with advanced solid tumors and relapsed or refractory NHL. Dose escalation of ICP-B05 reached 450 mg in solid tumor and 600 mg in NHL. ICP-B05 is well tolerated with no dose-limiting toxicities ("**DLTs**") nor Grade≥3 adverse events ("**AEs**") observed. The preliminary results demonstrated a favorable PK profile with sufficient exposure for target coverage and regulatory T-cell depletion. As of 6 January 2025, 12 patients had received at least one lesion assessment, with 4 out of 12 patients (33.3%) achieving partial remission ("**PR**") in main lesions. The 6-month progression-free survival ("**PFS**") rate was 82.5% (95% CI: 46.1%-95.3%). Among the five patients with CCR8+ levels exceeding 10%, four (80%) achieved PR. Dose escalation is ongoing and we will explore the combination of ICP-B05 with other immunotherapies in various cancer indications after collecting the monotherapy safety data.

DEVELOPING B-CELL AND T-CELL PATHWAYS IN AUTOIMMUNE DISEASES

Autoimmune diseases can affect almost every organ in the body and may arise at any stage of life. Many lead to chronic and debilitating conditions, and some have no known cure. The global markets for autoimmune diseases therapeutics is anticipated to reach US$185 billion by 2029, growing moderately at a CAGR of 3.7% over the forecast period, driven by the increasing prevalence of autoimmune diseases and immune-related secondary disorders, multiple new product launches, and rising treatment costs (3 October, 2023 by iHealthcareAnalyst, Inc.). We have fortified our powerful discovery engine to focus on cutting-edge global targets for the development of autoimmune therapies through B-cell and T-cell pathways, with the aim of delivering first-in-class and/or best-in-class treatments to address the massive unmet clinical needs and strong market potential in China and globally.

Orelabrutinib

- In September 2024, the Company and the FDA reached an agreement to initiate a Phase III study of orelabrutinib in patients with Primary Progressive Multiple Sclerosis ("**PPMS**"). The FDA also encouraged the Company to initiate a second Phase III clinical trial of orelabrutinib in Progressive Multiple Sclerosis ("**PMS**") within the Secondary Progressive Multiple Sclerosis ("**SPMS**") population. In February 2025, the Company reached an agreement with the FDA on the Phase III clinical trial protocol for SPMS. As of the date of this announcement, the Company is accelerating the initiation of the Phase III studies for PPMS and SPMS, with the goal of achieving first-patient-in for PPMS by mid-2025 and for SPMS within 2025. This is a significant milestone in our ongoing commitment to develop innovative and effective treatments to address critical unmet medical needs in patients with multiple sclerosis ("**MS**").

- We have achieved proof of concept ("**PoC**") of orelabrutinib for the treatment of Immune Thrombocytopenia ("**ITP**") and a Phase III registrational trial is ongoing in China. Our goal is to complete this Phase III trial by 2025 and submit the NDA in the first half of 2026. The Phase II result of ITP was orally presented at the EHA 2023 Hybrid Congress on 12 June 2023 and published in The American Journal of Hematology in April 2024. Overall, 40% of patients taking orelabrutinib 50mg QD met the primary endpoint, while 75% (6/8) of patients who had previously responded to glucocorticoids ("**GC**")/intravenous immunoglobulin ("**IVIG**") therapies met the primary endpoint at the same dose. By leveraging BTK inhibitor's advantage in ITP, such as decreased macrophage-mediated platelet destruction and reduced production of pathogenic autoantibodies, we have positioned orelabrutinib as a preferred BTK inhibitor for idiopathic autoimmune diseases.

- The Phase IIa trial for systemic lupus erythematosus ("**SLE**") showed promising results, with remarkable SLE Responder Index ("**SRI**")-4 response rates observed in a dose-dependent manner, along with trends indicating a reduction in proteinuria levels. The Phase IIb clinical trial of orelabrutinib in SLE has completed patient enrollment in 2024, with data expected in the fourth quarter of 2025. Additionally, an interim analysis is currently underway.

ICP-332 (Soficitinib)

- ICP-332 is a novel tyrosine kinase 2 ("**TYK2**") inhibitor that is being developed for the treatment of various T cell related autoimmune disorders. In March 2024, the data from the Phase II clinical trial of ICP-332 for the treatment of moderate-to-severe atopic dermatitis ("**AD**") was presented as a late-breaking oral presentation at the 2024 American Academy of Dermatology ("**AAD**") Annual Meeting. Patients treated with ICP-332 for 4 weeks showed excellent efficacy and safety profiles. The percentage change from baseline in the Eczema Area and Severity Index ("**EASI**") score, a measure of the eczema area and severity, reached 78.2% at 80mg once-daily dosing ($p<0.0001$) and 72.5% at 120mg once-daily dosing ($p<0.0001$), compared to 16.7% for patients receiving placebo. Moreover, ICP-332 achieved multiple efficacy endpoints including EASI 50, EASI 75, EASI 90 (representing ≥50%, ≥75%, and ≥90% improvement from baseline) and Investigator's Global Assessment ("**IGA**") 0/1 (score of 0 clear or 1 almost clear) in the 80mg and/or 120mg groups, respectively. EASI 75 was achieved by 64% of patients in both the 80 mg and 120 mg groups, compared to 8% in the placebo group ($p<0.0001$). All treatment-related adverse events ("**TRAEs**") were mild or moderate, which was comparable to those receiving placebo.

- The Company initiated a Phase III clinical trial for AD in China in the fourth quarter of 2024, and as of this announcement, more than 110 patients have been enrolled. The IND application for a Phase II/III trial in vitiligo has been approved in China, with patient enrollment set to begin soon. In the U.S., we have completed the Phase I trial of ICP-332 and will communicate with the FDA regarding the subsequent clinical development plan.

ICP-488

- ICP-488 is a potent and selective TYK2 allosteric inhibitor that binds to the pseudo kinase JH2 domain of TYK2 and blocks IL-23, IL12, type 1 IFN, and other cytokine receptors. We plan to develop ICP-488 for the treatment of various autoimmune diseases. In October 2024, we announced positive results from the Phase II randomized, double-blind, placebo-controlled study of ICP-488 in patients with moderate-to-severe plaque psoriasis. The Phase II clinical trial data was presented as a late-breaking oral presentation at the 2025 American Academy of Dermatology Annual Meeting. Study results demonstrated a significant improvement in Psoriasis Area and Severity Index ("**PASI**"), with a 75% or greater reduction from baseline ("**PASI 75**") at week 12 for patients receiving both 6mg and 9mg once daily ("**QD**") doses of ICP-488, compared to those receiving placebo. Additionally, a statistically significant greater proportion of patients achieved PASI 90, PASI 100 and static Physician Global Assessment ("**sPGA**") scores of 0/1 in the ICP-488 arms compared to placebo.

    - A significantly greater proportion of patients treated with ICP-488 for 12 weeks achieved PASI 75 (77.3%, 78.6% for 6mg and 9mg, respectively) versus placebo (11.6%; $p<0.0001$), meeting the study's primary endpoint.

    - A significantly greater proportion of patients treated with ICP-488 for 12 weeks achieved PASI 90 (36.4%, 50.0% for 6mg and 9mg, respectively) versus placebo (0%; $p<0.05$), and PASI 100 (11.4%, 11.9% for 6mg and 9mg, respectively) versus placebo (0%; $p<0.05$).

    - A significantly greater proportion of ICP-488 treated patients achieved sPGA scores of 0/1 (70.5%, 71.4% for 6mg and 9mg, respectively) versus placebo (9.3%; $p<0.0001$) at 12 weeks. An sPGA score of 1 indicates almost clear skin and 0 indicates totally clear skin.

- In this study, most treatment emergent adverse events ("**TEAEs**") and treatment-related adverse events were mild or moderate in severity and self-limited.

- The Company will continue to evaluate the potential of ICP-488 in patients with plaque psoriasis through a Phase III study while also exploring its application in other autoimmune diseases. Patient enrollment for the Phase III trial for plaque psoriasis was initiated in March 2025, with FPI successfully achieved.

IL-17 Small Molecule

- IL-17 (Interleukin-17) is a pro-inflammatory cytokine that plays a critical role in the pathogenesis of several autoimmune and inflammatory diseases, such as psoriasis, rheumatoid arthritis, and ankylosing spondylitis. Oral small molecules targeting IL-17 represent a new and promising class of therapeutics, offering the potential for easier administration, flexible dosing, and broader patient access. We have identified a novel, orally available, small molecule that can potently block the binding of both IL-17AA and IL-17AF to IL-17R, thereby modulating immune responses and reducing inflammation.

- Preclinical studies have demonstrated the effectiveness of our IL-17 small molecule in reducing key inflammatory biomarkers and improving clinical outcomes in animal models of autoimmune diseases. For example, in a rat collagen-induced arthritis (CIA) model, our IL-17 small molecule showed significant efficacy in clinical scores. The development of this oral IL-17 small molecule inhibitor aims to provide an effective, convenient, and more accessible treatment option compared to injectable biologics.

Others

- The Company is actively developing a range of innovative oral therapies for autoimmune diseases with diverse mechanisms of action and formulations, including small molecules, oral cyclic peptides, and molecular glues. We are committed to providing patients with autoimmune diseases with more convenient and diverse treatment options.

BUILDING A COMPETITIVE DRUG PORTFOLIO FOR SOLID TUMOR TREATMENT

In our ongoing efforts to address the growing needs in solid tumors, we are committed to building a competitive drug portfolio aimed at treating a broad range of solid tumor indications. We are expanding the scope of our pipeline through a combination of targeted therapies, immuno-oncology approaches, and cutting-edge antibody-drug conjugate ("**ADC**") technology. Our R&D team is focused on discovering and developing novel platforms that target various solid tumors, utilizing innovative technologies to identify and advance potential drug candidates that offer significant clinical benefits. We believe that our proprietary ADC platform, alongside promising candidates like ICP-723, will enable us to establish a strong presence in the field of solid tumor treatment.

ICP-723 (Zurletrectinib)

- ICP-723 is a second-generation small molecule pan-inhibitor of tropomyosin-related kinase ("**pan-TRK inhibitor**") designed to treat patients with NTRK gene fusion-positive cancers who were TRK inhibitor treatment-naive or who have developed resistance to first-generation TRK inhibitors, regardless of cancer type. A Phase II registrational trial has been completed in mainland China for ICP-723 in adult and adolescent patients (12+ years of age) with advanced solid tumors harboring NTRK gene fusions. The primary efficacy endpoint was the ORR assessed by IRC. Among the 55 subjects included in the integrated summary of efficacy ("**ISE**") analysis, the IRC-assessed ORR was 85.5% (95% CI: 73.3, 93.5). Zurletrectinib was shown to overcome acquired resistance to 1st generation TRK inhibitors, bringing hope to patients who have failed prior TRKi therapy. The NDA for ICP-723 is scheduled for submission by the end of March 2025.

- Furthermore, the registrational trial for pediatric patients (2 years ≤ age < 12 years) is ongoing, with the NDA submission targeted within 2025.

ICP-189

- ICP-189, is a potent oral allosteric inhibitor of SHP2 with potential synergistic combinations with a range of targeted therapies or immunotherapies. We are conducting a Phase Ia dose escalation study to evaluate the safety, tolerability, pharmacokinetics and preliminary anti-tumor activity of ICP-189 in patients with advanced solid tumors in China. As of the date of this announcement, patient enrollment at the 160mg QD dose is ongoing. No DLTs nor ≥grade3 TRAEs have observed up to 120 mg. ICP-189 has demonstrated dose proportional PK and a long half-life. At the 120mg dose, ICP-189 achieved sufficient exposure to effectively cover the IC_{90} for DUSP6 inhibition, a downstream biomarker of MAPK pathway. Preliminary efficacy of ICP-189 monotherapy was observed; one patient with cervical cancer in the 20mg dose cohort achieved a PR that was sustained for 14 cycles. On 14 July 2023, InnoCare and ArriVent Biopharma ("**ArriVent**") announced a clinical development collaboration to evaluate the combination of InnoCare's novel SHP2 allosteric inhibitor, ICP-189, with ArriVent's firmonertinib, a highly brain-penetrant, broadly active mutation-selective EGFR inhibitor in patients with advanced non-small cell lung cancer ("**NSCLC**"). Preclinical studies demonstrated that the combination of ICP-189 and firmonertinib could overcome resistance to third-generation EGFR inhibitors. We have completed the Phase Ib dose-finding study of ICP-189 in combination with firmonertinib. No DLTs were observed during the dose-finding phase. The preliminary dose for expansion was determined by the Safety Monitoring Committee ("**SMC**") as ICP-189 160 mg plus firmonertinib 80 mg. Among the 9 patients enrolled, 8 achieved stable disease, including 2 patients who remain on treatment at the ICP-189 160 mg plus firmonertinib 80 mg dose level. As of the date of this announcement, the dose expansion study is ongoing with 2 patients enrolled. We anticipate having a Phase Ib data readout in 2025.

In-House Developed Antibody-Drug Conjugate (ADC) Platform

- The Company has developed a cutting-edge ADC platform with proprietary linker-payload ("**LP**") technologies, aimed at the delivery of potent and targeted therapies for cancer treatment. This platform allows for the creation of highly differentiated ADCs with improved efficacy and safety profiles. Key features of the platform include:

  - Irreversible bioconjugation: ensuring stable antibody-linker bioconjugation for improved stability.

  - Hydrophilic linker: enhancing ADC stability and achieving a drug-to-antibody ratio ("**DAR**") of 8.

  - Novel payload: incorporating highly potent cytotoxic payloads with strong bystander killing effects.

- The platform is expected to deliver ADCs with strong tumor-killing efficacy and an adequate therapeutic window, thereby broadening treatment options for cancer patients and improving clinical outcomes. As the platform continues to evolve, the Company is poised to expand its portfolio with multiple differentiated ADC candidates, further advancing precision medicine in oncology.

ICP-B794: A Novel B7H3 Targeted ADC for Solid Tumors

- ICP-B794 is a novel ADC comprising a human anti-B7H3 monoclonal antibody conjugated to our potent payload (a novel topoisomerase 1 inhibitor) via a protease-cleavable linker, with a drug-to-antibody ratio of 8. ICP-B794 was developed using InnoCare's innovative linker-payload platform, which is characterized by a highly hydrophilic linker-payload, a stable connector designed to avoid retro-Michael reactions, and remarkable stability in circulation. In preclinical studies, ICP-B794 exhibited potent anti-tumor activity in various CDX mouse models with SCLC, NSCLC and other solid tumors. In an efficacy comparison study in the NCI-H1155 NSCLC CDX model, a single dose as low as 0.3 mg/kg of ICP-B794 caused ~100% tumor growth inhibition ("**TGI**"), surpassing that of linker-payloads from competitor platforms conjugated to the same anti-B7H3 antibody. A single 5 mg/kg dose of ICP-B794 caused 100% tumor regression in the NCI-H1155 xenograft mouse model even when tumor volume was around 700 mm^3. The safety window was >200-fold in preclinical studies. The company will submit an IND application for ICP-B794 in the first half of 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

InnoCare has fully entered its 2.0 phase, marking a significant milestone in the Company's evolution. As a commercial-stage biopharmaceutical company, we are dedicated to discovering, developing, and commercializing innovative, best-in-class, and first-in-class drugs for the treatment of cancers and autoimmune diseases — two major therapeutic areas with significant market potential and synergies. Led by an experienced management team with global industry expertise, we have established a fully integrated biopharmaceutical platform encompassing in-house R&D, clinical development, manufacturing, and commercialization capabilities. Our vision is to become a global biopharmaceutical leader that develops and delivers transformative therapies for patients worldwide.

Our product portfolio has significantly advanced, with orelabrutinib, our first commercialized product, surpassing RMB 1 billion in revenue for the first time — signaling our successful commercialization efforts. We are confident that the strong sales momentum of orelabrutinib, particularly in the r/r MZL indication, will continue to drive growth in 2025. This achievement validates our capabilities and paves the way for future commercial success.

In line with InnoCare 2.0, our focus on globalization has been further strengthened. In January 2025, we entered into an exclusive license agreement with Prolium for the development and commercialization of ICP-B02. We will continue to advance the globalization of other promising pipeline products. As part of our strategy, we are actively exploring collaboration and licensing opportunities for our key assets, with a focus on expanding our presence outside of China. We remain committed to accelerating the global reach of our products through strategic partnerships, while also enhancing our regulatory and clinical capabilities in key markets.

2025 OUTLOOK AND FUTURE DEVELOPMENT

As we approach the tenth anniversary of InnoCare's founding, we anticipate that 2025 will be a transformative year, characterized by continued high-speed growth and global expansion. The transition to InnoCare 2.0 is well underway, with our pipeline and commercialization efforts expanding to meet the growing global demand for innovative therapies. We will continue to leverage our strong R&D and commercialization capabilities to solidify our position as a global leader in biopharmaceuticals. Our strategic priorities for 2025 include:

Accelerating Global Expansion Through Strategic Collaborations

In 2025, business development stands at the forefront of our strategic priorities as we accelerate our path toward globalization. We remain deeply committed to serving patients around the world through scientific innovation. With a differentiated and advanced clinical-stage pipeline, as well as promising early-stage candidates, we are uniquely positioned to address critical unmet medical needs in autoimmune diseases and oncology. Our innovative science and focused therapeutic strategy enable us to create value for both patients and partners globally.

We entered the year with strong momentum, launching a strategic collaboration with Prolium for the development and commercialization of ICP-B02, a CD20XCD3 bispecific antibody, marking a key step in expanding our international reach. With multiple assets progressing in parallel, we see clear potential for further strategic transactions. Business development will remain a key growth engine as we scale globally and realize the full commercial potential of our pipeline.

Building A Leading Franchise in Hemato-oncology

With orelabrutinib as our backbone therapy, it plays a central role in our extensive pipeline in hemato-oncology. Alongside orelabrutinib, tafasitamab is expected to receive BLA approval in the first half of 2025, and ICP-248 (mesutoclax) entered into a Phase III clinical trial in combination with orelabrutinib for the fixed-duration treatment of 1L CLL/SLL in the first quarter of 2025. Together, orelabrutinib, tafasitamab, and ICP-248 form a robust product combination that will establish a solid foundation for our hematology-oncology strategy. With this powerful combination and ongoing developments from both internal and external sources, our goal is to become a leading player in hemato-oncology both in China and worldwide. We remain committed to addressing major diseases, such as NHL, leukemia and multiple myeloma, through both monotherapies and combination therapies to provide effective solutions for patients globally.

Expanding in Autoimmune Diseases with B-cell and T-cell Pathways

Orelabrutinib's favorable safety profile and efficacy in regulating the B-cell signaling pathway have positioned it as a promising therapy for autoimmune diseases. In September 2024, the FDA reached an agreement with the Company on the initiation of a Phase III study of orelabrutinib in patients with PPMS and also encouraged us to initiate a second Phase III clinical trial of orelabrutinib in SPMS. We plan to accelerate these efforts to deliver much-needed therapies to patients. Orelabrutinib achieved favorable PoC results in the treatment of ITP patients, particularly in those who had responded to previous GC/IVIG therapies. In the first half of 2023, we initiated the registrational Phase III trial in China, which is expected to be completed in 2025, with an NDA submission planned for the first half of 2026. Based on the positive results from the Phase IIa SLE clinical trial, we believe orelabrutinib could

potentially become the first-in-class BTK inhibitor for the treatment of SLE. The Phase IIb trial in China completed patient enrollment in October 2024. This trial includes 186 patients with a treatment duration of 48 weeks, and data readout is expected in the fourth quarter of 2025.

In addition, we are advancing T-cell pathway modulators, such as ICP-332 and ICP-488, which have entered Phase III clinical trials. These molecules offer potential solutions for a wide range of autoimmune diseases, including AD, psoriasis, vitiligo, prurigo nodularis ("**PN**"), SLE and irritable bowel disease ("**IBD**"). We are also exploring novel oral therapies for autoimmune diseases with unique mechanisms, such as IL-17 small molecules, which we believe will address unmet needs in the treatment of chronic conditions.

Solid Tumors and ADC Platform

In the field of solid tumors, we are committed to building a competitive portfolio, combining targeted therapies, immuno-oncology approaches, and innovative ADC technologies. ICP-723 has shown strong efficacy and will soon be submitted for NDA approval.

Additionally, our proprietary ADC platform is poised to revolutionize cancer treatment, with a promising pipeline including ICP-B794, a novel B7H3-targeted ADC. ICP-B794 will undergo IND submission in the first half of 2025, and we plan to initiate clinical trials in the second half of 2025. This platform enables us to create highly differentiated ADCs with enhanced safety and efficacy profiles, and we expect it to be a significant growth driver for InnoCare in the oncology space.

Our ADC platform is built upon proprietary linker-payload technologies, enabling the delivery of potent and targeted cancer therapies. The platform's key features include irreversible bioconjugation, a hydrophilic linker for enhanced stability, and novel, highly potent payloads that enhance tumor-killing efficacy while minimizing off-target effects. As this platform evolves, we anticipate the development of multiple differentiated ADC candidates, further advancing precision medicine in oncology.

Continuing To Expand Our Pipeline Through In-House Discovery and Business Development Efforts

We will continue to develop our multiple candidates currently at the IND-enabling stage and generate new molecular entities from our proven in-house drug discovery platform.

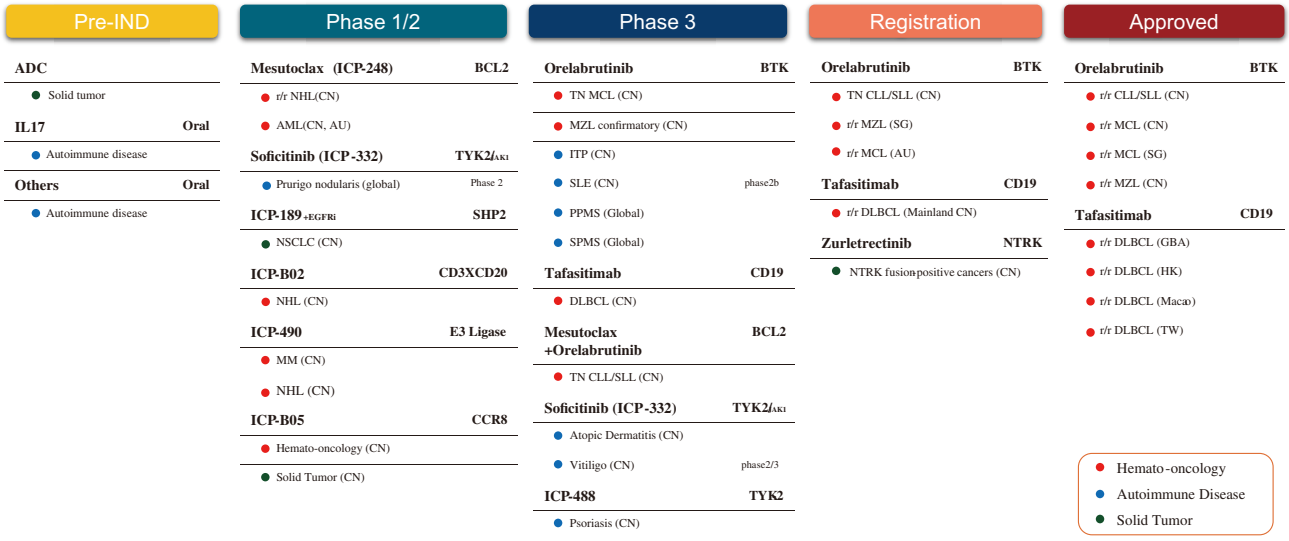
To further enhance our pipeline and optimize operational efficiency, we will actively pursue in-licensing and clinical collaboration opportunities that complement our existing portfolio. A strong emphasis will be placed on licensing assets that could allow us to fully leverage our established clinical development, commercialization, and manufacturing capabilities, and those that have potential synergies with our current pipeline for combination therapies.

Leveraging AI to Drive Innovation and Enhance Efficiency

As an innovative biopharmaceutical company, we are committed to harnessing the power of artificial intelligence ("**AI**") to accelerate drug discovery, optimize research and development processes, and improve operational efficiency. AI-driven technologies enable us to analyze vast datasets, identify promising drug candidates with greater precision, and streamline clinical trial design. By integrating AI into various aspects of our operations, we aim to enhance decision-making, reduce development timelines, and increase the probability of success in bringing novel therapies to patients. Moving forward, we will continue to explore AI's potential to drive innovation and create transformative treatment solutions.

PRODUCT PIPELINE

Our current pipeline drugs cover a variety of novel and validated therapeutic targets and drug modalities including small molecules, monoclonal antibodies, bispecific antibodies, and ADCs for the treatment of various autoimmune diseases, hemato-oncology and solid tumors.



BUSINESS OVERVIEW

ORELABRUTINIB COMMERCIALIZATION ACHIEVEMENTS AND MILESTONES

(宜諾凱®, Orelabrutinib, BTK inhibitor)

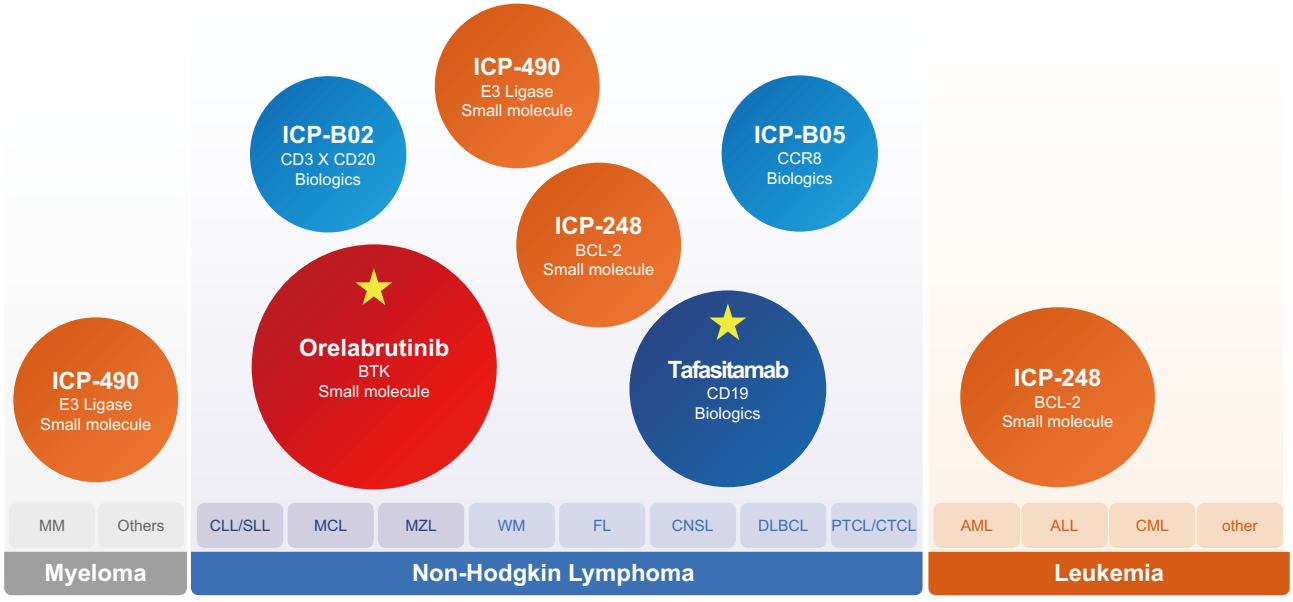
Orelabrutinib (宜諾凱®), our first and core commercial product, is a highly selective, irreversible BTK inhibitor. It was successfully included in China's NRDL in 2022 for the treatment of patients with r/r CLL/SLL and r/r MCL. Orelabrutinib has also been included in the updated NRDL in 2024 for the treatment of patients with r/r MZL, maintaining the same price as in 2023. Since its launch in mainland China, orelabrutinib was included in the CSCO Guidelines as a Class I treatment for r/r CLL/SLL and r/r MCL, and as one of the recommended BTK inhibitors to be combined with chemotherapy for the treatment of r/r diffuse large B cell lymphoma ("**DLBCL**") and primary central nervous system lymphoma ("**pCNSL**").

Total revenue of the Group was RMB1,009.4 million for the year ended 31 December 2024, of which orelabrutinib generated sales of RMB1,000.4 million for the year ended 31 December 2024, surpassing RMB 1 billion for the first time, marking a significant milestone for the Company, representing a 49.1% growth compared to the year ended 31 December 2023. With an enhanced in-house team of approximately 330 experienced sales and marketing professionals, orelabrutinib's promotion coverage has rapidly penetrated core cities and nationally leading hospitals. We expect to capture a substantial market share across all channels driven by (i) NRDL inclusion of all three approved indications of orelabrutinib; (ii) the first and only approved BTK inhibitor for r/r MZL in China; (iii) significantly enhanced commercial capabilities; and (iv) improved patient compliance and extended DOT.

BUILDING A LEADING FRANCHISE IN HEMATO-ONCOLOGY

With orelabrutinib as our backbone therapy, it plays a central role in our extensive pipeline in hemato-oncology. Alongside orelabrutinib, tafasitamab is expected to receive BLA approval in the first half of 2025, and ICP-248 (mesutoclax) entered into a Phase III clinical trial in combination with orelabrutinib for the fixed-duration treatment of 1L CLL/SLL in the first quarter of 2025. Together, orelabrutinib, tafasitamab, and ICP-248 form a robust product combination that will establish a solid foundation for our hemato-oncology strategy. With this powerful combination and ongoing developments from both internal and external sources, our goal is to become a leading player in hemato-oncology both in China and worldwide. We remain committed to addressing major diseases, such as NHL, leukemia and multiple myeloma, through both monotherapies and combination therapies to provide effective solutions for patients globally.

Comprehensive Coverage for Hemato-oncology



Orelabrutinib for Hemato-Oncology Diseases

As of at the date of this announcement, we have dosed over 1,300 patients across all of our orelabrutinib trials for oncology and autoimmune diseases. Besides r/r CLL/SLL and r/r MCL, orelabrutinib was approved for r/r MZL, marking it as the first and only BTK inhibitor approved for this use in mainland China. Additionally, multiple registrational trials are ongoing across China, including first line and second line treatments for various hematological malignancies. The clinical data indicates that orelabrutinib's high target selectivity and exceptional target occupancy rate have resulted in favorable safety and efficacy profiles.

Orelabrutinib for r/r MZL

MZL is an indolent B-cell NHL and the second most prevalent lymphoma in China, accounting for 8.3% of all lymphomas. It mainly affects middle-aged and elderly individuals. The annual incidence of MZL has been increasing globally. After first-line treatment, patients with r/r MZL lack effective treatment options.

In April 2023, orelabrutinib received approval from the Chinese NMPA for the treatment of patients with r/r MZL. Orelabrutinib is currently the first and only, BTK inhibitor approved for the treatment of r/r MZL in China.

On 16 June 2023, we announced the latest clinical data of orelabrutinib at the 17th International Conference on Malignant Lymphoma ("**ICML**") during the oral presentation section. Orelabrutinib demonstrated high response rates with durable disease remission and was well tolerated in Chinese patients with r/r MZL. The primary endpoint was ORR assessed by IRC based on the Lugano 2014 classification.

Among the enrolled Chinese patients, the majority had late-stage diseases, with stage IV accounting for 75.9%. After a median follow-up of 24.3 months, the IRC-assessed ORR was 58.9%. The median DoR and the median progression-free survival was 34.3 months and not reached, respectively. The 12-month PFS rate was 82.8%, and the OS rate was 91%. Treatment was generally well tolerated with most TRAEs being grade of 1 or 2.

We are now conducting a randomized, controlled, double-blind, Phase III study to evaluate the efficacy and safety of orelabrutinib plus lenalidomide and rituximab ("**R2**") versus placebo plus R2 in r/r MZL.

According to publicly disclosed data at ASH 2023 *(Jiadai Xu, Lu-Ya Cheng, Yang Ke, et al. Blood 2023; 142 (Supplement 1): 6146.)*, orelabrutinib combined with rituximab shows encouraging anti-tumor activity in MZL, with a favorable safety profile. These results suggest a potential first-line treatment strategy for MZL. Among a total of 10 patients, 3 (30%) achieved CR and 6 (60%) attained PR as their best response, resulting in an ORR of 90%. After a median follow-up of 13.0 months (range 7.8–24.7), the median PFS was not reached, with a 6-month PFS rate of 100%. OS could not be assessed, as no deaths occurred. As of 6 May 2023, 8 patients were receiving orelabrutinib maintenance treatment, with a median duration of maintenance treatment of 9.6 months (range 3.0–17.8). The ORR was 75% (6/8) during maintenance treatment, with 1 patient having stable disease and 1 developing progressive disease. No serious adverse events were observed and off-target related AEs such as atrial fibrillation, diarrhea, and major hemorrhage were not reported.

Orelabrutinib for 1L CLL/SLL

This is a randomized, multicenter, open-label, Phase III study to evaluate the efficacy and safety of orelabrutinib with previously untreated CLL/SLL. The primary endpoint of this study is PFS evaluated by the IRC.

The registrational Phase III trial for 1L CLL/SLL has been finished. We submitted the NDA in China in the second half of 2024.

Orelabrutinib for 1L MCL

We are initiating a global randomized, double-blind, multicenter Phase III study of orelabrutinib in combination with rituximab and bendamustine ("**BR**") vs. BR in subjects with treatment-naïve MCL.

Orelabrutinib for r/r CLL/SLL

We conducted an open-label, multicenter, Phase II study to evaluate the safety and efficacy of 150mg daily oral administration of orelabrutinib in r/r CLL/SLL patients. A total of 80 patients with r/r CLL/SLL were enrolled. According to the data as of 26 June 2023, the median follow-up time was 52.4 months, with 42.5% of patients remaining on treatment. The ORR was 93.8% with 30% CR as assessed by investigator. Median time for achieving first response was 1.84 months. The median DOR and PFS were 52 months and 50 months, respectively. Orelabrutinib showed a significantly higher CR rate in r/r CLL/SLL in comparison with other BTK inhibitors at a similar median follow-up period. Long term follow-up did not suggest any safety signals other than the ones observed previously. Similar to the previously reported safety results, most AEs were mild to moderate, indicating that orelabrutinib was well tolerated.

Orelabrutinib for r/r MCL

MCL is a subtype of B-cell non-Hodgkin lymphoma that results from the malignant transformation of B-lymphocytes in the mantle zone of lymph node follicles. MCL occurs most frequently in men at a median age of 60 years, and the majority of patients are diagnosed in an advanced stage of the disease. Despite high response rates to first-line chemoimmunotherapy, the majority of patients eventually relapse and require subsequent treatment. Currently, there is no standard therapy for relapsed/refractory MCL. The therapies approved by the Food and Drug Administration for this patient population are still limited, with low rates of CR, short durations of remission, and unfavorable safety and tolerability profiles for older patients.

On 2 May 2023, Blood Advances, part of leading hematology journal Blood, and the Journal of the ASH published the clinical study results of orelabrutinib in r/r MCL patients. The journal concluded that orelabrutinib demonstrated substantial efficacy and was well tolerated in patients with r/r MCL after long-term follow-up.

A total of 106 patients were enrolled in the study. As of 9 June 2023, after a median follow-up of 46.98 months, based on conventional computerized tomography ("**CT**") assessment, the ORR was 83%, with 35.8% achieving complete response, 3.8% achieving unconfirmed complete response ("**CRu**"), and 43.4% obtaining PR, as assessed by the investigator. Patients experienced a rapid response to the treatment. The median DoR was 25.79 months, and the PFS was 24.94 months. The median OS reached 56.21 months. Orelabrutinib was well-tolerated, demonstrating a favorable safety profile.

A prospective, multicenter, single-arm Phase II study of orelabrutinib-lenalidomide-rituximab (OLR) in patients with untreated MCL in China *(Huilai Zhang, Liping Su, Lihong Liu, et al. Blood 2023; 142 (Supplement 1): 736.)* showed that out of 21 patients (75.0%) who completed 6 cycles of induction therapy and were evaluable, 16 (76.2%) achieved a CR and 5 (23.8%) obtained a PR, resulting in an ORR of 100%. In addition, 18 of these 21 patients were available for minimal residual disease ("**MRD**") analysis, with both peripheral blood MRD ("**PB-MRD**") and bone marrow MRD ("**BM-MRD**") results being negative in all 18 patients. The median DoR and median PFS were not reached, with the estimated 12-month DoR rate and PFS rate at 90.9% and 92.3%, respectively.

Orelabrutinib for Primary Central Nervous System Lymphoma ("pCNSL")

During the EHA 2023 Hybrid Congress, preliminary findings were presented from a Phase II study on the chemo-free combination of pomalidomide, orelabrutinib, and rituximab with sequential high-dose methotrexate in newly diagnosed patients with primary CNS lymphoma.

This is the first study to treat newly diagnosed pCNSL ("**ND pCNSL**") with a targeted therapy combination before chemotherapy. The regimen of pomalidomide, orelabrutinib, and rituximab produced a high ORR and was well tolerated. This indicates the potential for non-cytotoxic first-line therapies in treating pCNSL.

Survival outcomes of patients with r/r pCNSL remain extremely poor, lacking approved therapies or a widely accepted standard-of-care. In 2022, eight investigator-initiated studies published results showing promising data for orelabrutinib-based regimens in treating both ND pCNSL and r/r CNSL. The ORR of orelabrutinib combined with immunochemotherapy ranged from 88.9% to 100%, with a CR rate of 53.9% to 61.8% in patients with ND pCNSL. The vast majority of the patients with ND pCNSL responded well to the combination of orelabrutinib with traditional immunochemotherapy, with more than half achieving complete remission. Notably, the median PFS ("**mPFS**") was not reached in these studies, with a 6-month PFS rate ranging from 63.6% to 100%.

In the relapse/refractory setting, approximately 60% of patients with r/r CNSL achieved remission with an ORR of 60% to 86.7%, with most of those that responded achieving complete remission. The mPFS was 9.8 months, marking a significant improvement from the historical mPFS of around 3 months.

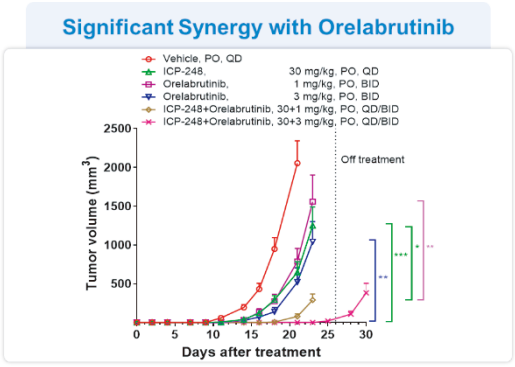
Patients exhibiting enhanced BCR signaling, particularly those with the MYD88 mutation, showed a superior response to treatment. This aligns with the mechanism of action ("**MOA**") of orelabrutinib, which is designed to target these specific molecular pathways. Importantly, orelabrutinib demonstrates excellent permeability across the blood-brain barrier ("**BBB**"), a critical feature for treating central nervous system conditions. An oral dose of 150mg per day resulted in a median cerebrospinal fluid concentration of 21.6ng/mL and a median BBB permeability rate of 58.6%.

Orelabrutinib combined with immunochemotherapy was well tolerated and manageable. The safety profile observed in these studies was consistent with the results in previous clinical trials. No new safety signals have been observed in pCNSL patients so far.

Combining orelabrutinib with ICP-248 (BCL-2 inhibitor)

The advent of BTK inhibitors has revolutionized the treatment landscape for B cell malignancies, especially in CLL/SLL. These inhibitors have shifted the treatment paradigm for CLL from a disease managed with repeated courses of fixed duration chemoimmunotherapy to one that is treated with a continuous daily oral therapy. BTK inhibitors have improved PFS when compared to traditional chemoimmunotherapy in frontline CLL treatment, and have been shown to improve OS when compared to fludarabine, cyclophosphamide, and rituximab chemoimmunotherapy. Despite these advancements, BTK inhibitors do not completely eradicate the disease, and achieving disease remissions with undetectable minimal residual disease are rare. This necessitates ongoing treatment, increasing the risk for both resistance and chronic toxicity.

BCL-2 is an anti-apoptotic protein that renders cells resistant to apoptosis. The BCL-2 dysregulation is a key process in the pathogenesis of B cell lymphoma.



The combination of BCL-2 inhibitors and BTK inhibitors increases the depth of response and may induce a longer duration of remission in patients with CLL/SLL and MCL. For patients with CLL/SLL, this combination strategy also provides a fixed-duration therapeutic option. We are exploring the potential of orelabrutinib combined with ICP-248 (BCL-2 inhibitor) for treating CLL/SLL. Additionally, the dual oral combination therapy aims to provide a more convenient treatment regimen.

ICP-B04 (Tafasitamab)

We have successfully completed the patient enrollment of the Phase II pivotal trial and the BLA for tafasitamab in combination with lenalidomide for adult patients with r/r DLBCL who are not eligible for ASCT was accepted by the CDE of the NMPA and granted priority review in June 2024. We anticipate NDA approval in the first half of 2025.

This is a single-arm, open-label, multicenter Phase II clinical study evaluating the safety and efficacy of tafasitamab combined with lenalidomide for the treatment of patients with r/r DLBCL. The primary endpoint is to evaluate the ORR assessed by investigator and IRC. The secondary endpoints are DCR, DoR, PFS, time to progression ("**TTP**"), time to response ("**TTR**"), OS, and safety. During the EHA 2024 Hybrid Congress, the clinical data was presented. As of the data by 29 January 2024, the ORR assessed by IRC was 73.1%, with 32.7% of patients achieving CR and 40.4% of patients with PR. The ORR assessed by investigators was 69.2%, with 34.6% of patients reaching CR and 34.6% of patients achieved PR.

Tafasitamab, in combination with lenalidomide, has obtained accelerated approval in the U.S., and conditional marketing authorization approval in Europe for the treatment of adults with r/r DLBCL who are not eligible for ASCT. Tafasitamab is approved for r/r DLBCL and is the first available therapy for the second line treatment of r/r DLBCL patients. With a similar role and more stable expression across B-NHL, this CD19 targeted immunotherapy has the potential to become another fundamental therapy for B-NHL.

In the current CSCO Guidelines, tafasitamab in combination with lenalidomide was officially included as a Class II recommended regimen for the treatment of adult patients with r/r DLBCL who are ineligible for ASCT.

As of the date of this announcement, the BLA for the combination therapy of tafasitamab and lenalidomide was approved by the Department of Health of the Hong Kong Special Administrative Region, Macau and Taiwan for adult patients with r/r DLBCL who are not eligible for ASCT. Furthermore, under the early access program in the Boao Lecheng International Medical Tourism Pilot Zone and the Greater Bay Area, prescriptions of tafasitamab in combination with lenalidomide were issued at Ruijin Hainan Hospital and Guangdong Clifford Hospital for eligible DLBCL patients.

As of the date of this announcement, tafasitamab has been included in the overseas special drug list in over 32 provinces and cities in mainland China including Beijing, Shanghai, Hebei, Hainan provinces, Suzhou City, Wuxi City, Foshan City, and Chengdu City, etc.

ICP-248 (Mesutoclax)

ICP-248 is a novel, orally bioavailable selective BCL-2 inhibitor. BCL-2 plays a crucial role in the apoptotic pathway and is overexpressed in a variety of hematologic malignancies. BCL-2 inhibitors have demonstrated anti-tumor effects by activating the endogenous mitochondrial apoptosis pathway, leading to rapid cancer cell apoptosis. We have developed ICP-248 as a selective BLC-2 inhibitor characterized by enhanced metabolic stability and reduced drug-drug interaction ("**DDI**") liability. Given the outstanding safety and efficacy profile of orelabrutinib, we are confident that the combination of ICP-248 and orelabrutinib will overcome resistance issues observed in existing BCL-2 inhibitors. We intend to develop ICP-248 in combination with orelabrutinib for the treatment of CLL/SLL and other NHLs.

As of the latest update, 42 patients with TN CLL/SLL were enrolled and treated with ICP-248 in combination with orelabrutinib, with no clinical or laboratory evidence of tumor lysis syndrome observed. This Phase II study is still in its early stages. At a median combination therapy duration of 5.5 months, we have observed the following data: the ORR, CRR in target lesions by imaging, and uMRD rate were 100%, 53.4%, and 46.2%, respectively (MRD checkpoint: 12 weeks after the initiation of combination treatment). We look forward to seeing further improvement in these results as follow-up continues. In February 2025, the CDE approved the initiation of the registrational Phase III clinical trial of ICP-248 in combination with orelabrutinib as a 1L therapy for the treatment of CLL/SLL patients in China. We expect the first patient to be enrolled in March 2025. We will make every effort to advance this combination therapy and bring benefits to 1L CLL/SLL patients as soon as possible.

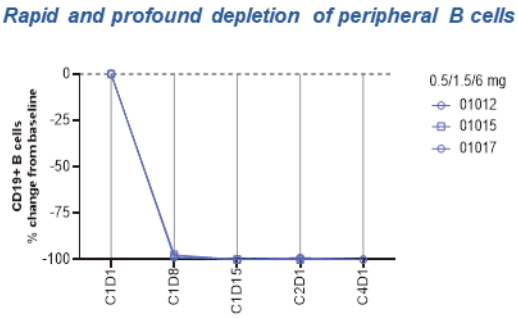
The Phase I/II dose escalation and expansion trial of ICP-248, which focuses on patients with r/r CLL/SLL, r/r MCL, and other non-Hodgkin lymphoma types, has shown positive results. The trial demonstrated a favorable safety profile and pharmacokinetic properties, distinguishing ICP-248 from other BCL-2 inhibitors. To date, 62 patients have been dosed. Sixteen r/r CLL/SLL and 24 r/r MCL patients were treated with ICP-248 at 125 mg and had at least one response assessment: ORR was 87.5% and CRR was 6.3% in r/r CLL/SLL patients, while in r/r MCL patients, the ORR and CRR were 79.2% and 37.5%, respectively. In 17 patients who were resistant to previous BTK inhibitor, the ORR was 70.5% and CRR was 23.5%; in 10 r/r CLL patients who failed prior BTK inhibitor treatment, the ORR was 80.0% and CRR was 10.0%. In March 2025, a type B meeting request was submitted to the CDE for the application of a Phase II single-arm registrational trial of ICP-248 for r/r MCL patients who failed prior BTKi-treatment. Additionally, in the U.S. and EU, a monotherapy bridging trial for r/r NHL is currently underway.

ICP-248 has also received regulatory approval to conduct clinical trials for AML in both China and Australia. Dose escalation and expansion studies are ongoing.

ICP-B02 (CM355)

ICP-B02 is a CD20xCD3 bispecific antibody co-developed with KeyMed for the treatment of B-cell non-Hodgkin's lymphoma as a monotherapy or in combination with other therapies. In preclinical studies, it demonstrated stronger T cell-dependent cellular cytotoxicity ("**TDCC**") activities with less cytokine release as compared to its leading competitors.

As of the date of this announcement, we have completed the dose escalation of the IV of ICP-B02 and are currently evaluating the SC. Encouragingly, our preliminary data for both the IV and SC formulations have shown good efficacy in patients with FL and DLBCL.



ICP-B02 induced rapid and deep B cell depletion in both peripheral blood and tissues in clinical studies. ICP-B02 (SC & IV) induced a profound and sustained depletion of peripheral B cells after the first infusion in our Phase I/II clinical trial in r/r NHL patients. Two patients with baseline bone marrow involvement were reassessed after achieving CR, and CD19 or CD20 positive B cells were completely depleted in the bone marrow, indicating deep B cell depletion in tissues. Given the critical role of B cells in a variety of severe autoimmune diseases, ICP-B02 may have wider applications in severe autoimmune diseases as it is more feasible and well tolerated.

In January 2025, Beijing InnoCare, a subsidiary of the Company, Chengdu Keymed, a subsidiary of Keymed (stock code: 02162), and Beijing Tiannuo Jiancheng Pharmaceutical Technology Co., Ltd., a joint venture of the Company and Chengdu Keymed, which is owned 50% by Beijing InnoCare and 50% by Chengdu Keymed entered into an exclusive license agreement with Prolium for the development and commercialization of ICP-B02.

Under the terms of the Agreement, Prolium has been granted the exclusive right to develop, register, manufacture, and commercialize ICP-B02 globally in non-oncology fields and in the global oncology fields outside of Asia. Each of Beijing InnoCare and Chengdu Keymed owns 50% of the rights in ICP-B02, and future revenue from the collaboration will be shared equally between Beijing InnoCare and Chengdu Keymed.

Beijing InnoCare and Chengdu Keymed will collectively receive an upfront and near-term payment of US$17.5 million based on their respective 50/50 ownership, and are entitled to receive additional milestone payments up to US$502.5 million based on the achievement of specific clinical, regulatory, and commercial milestones. Both Beijing InnoCare and Chengdu Keymed will also receive tiered royalties on future net sales of any products. As part of the consideration for the transaction, Beijing InnoCare and Chengdu Keymed (or their designated persons) will also be entitled to receive a minority equity stake in Prolium.

For details, see our announcement dated 20 January 2025 published on the websites of the Stock Exchange and the Company.

ICP-490

ICP-490 is a proprietary, orally available, next generation Cereblon ("**CRBN**") E3 Ligase modulator. As an immunomodulatory drug ("**IMiD**"), it modulates the immune system and influences other biological targets through targeted protein degradation ("**TPD**").

ICP-490, by specifically binding to the $CRL4^{CRBN}$ E3 Ligase complex, triggers the ubiquitination and subsequent degradation of transcription factors, including IKZF1 ("**Ikaros**") and IKZF3 ("**Aiolos**"). In the in vivo efficacy studies, ICP-490 demonstrated significant anti-tumor effects in various multiple myeloma and DLBCL xenograft models. Notably, ICP-490 was shown to overcome acquired resistance against earlier generations of CRBN modulators in both in vitro and in vivo efficacy studies. Furthermore, ICP-490 synergizes with the anti-CD38 antibody daratumumab in preclinical assays by enhancing its antibody-dependent cellular cytotoxicity ("**ADCC**") activity, thus providing a strong scientific rationale for exploring combinatory treatments in clinical settings.

Preliminary data on ICP-490 was selected for oral presentation at the 2023 AACR Annual Meeting on 18 April 2023. Cell viability assays reveal robust in vitro efficacies of ICP-490 against various multiple myeloma and NHL (including DLBCL) cell lines with nanomolar IC_{50} values. ICP-490 also exhibits potent anti-proliferative activity against lenalidomide-resistant cell lines. Importantly, while it shows a strong tumor killing effect, ICP-490 does not exhibit cytotoxicity against normal human cells. In vivo efficacy studies have further confirmed the effectiveness of ICP-490 against various multiple myeloma and DLBCL xenografts models.

The immune modulation activity of ICP-490 has also been illustrated in a combinatory treatment with monoclonal antibody ("**mAbs**"). A low dose of ICP-490 leads to robust induction of IL-2 and granzyme B, significantly enhancing the efficacy of anti-CD38 mAbs daratumumab in multiple myeloma and NHLs. ICP-490 demonstrates synergistic tumor killing effects when combined with the BTK inhibitor orelabrutinib. These findings provide solid scientific rationales for exploring combinatory treatments in clinical settings.

As of the date of this announcement, we are conducting Phase I/II dose escalation and expansion studies in China with multiple myeloma and NHL patients. In September 2023, the IND approval was granted by CDE to initiate the clinical trial for ICP-490 in combination with dexamethasone for multiple myeloma patients. The combination of ICP-490 and dexamethasone was well tolerated, and the preliminary efficacy has been confirmed at the dose levels of ICP-490 ≥1.0 mg in combination with dexamethasone in multiple myeloma patients. Pharmacodynamic analysis showed deep degradation of primary biomarker Aiolos (IKZF3) and Ikaros (IKZF1). Another study to explore the safety and efficacy of ICP-490 in NHL is in progress, first patient in is expected in March of 2025. ICP-490 as a monotherapy or in combination with others will be further assessed in multiple myeloma and NHL patients.

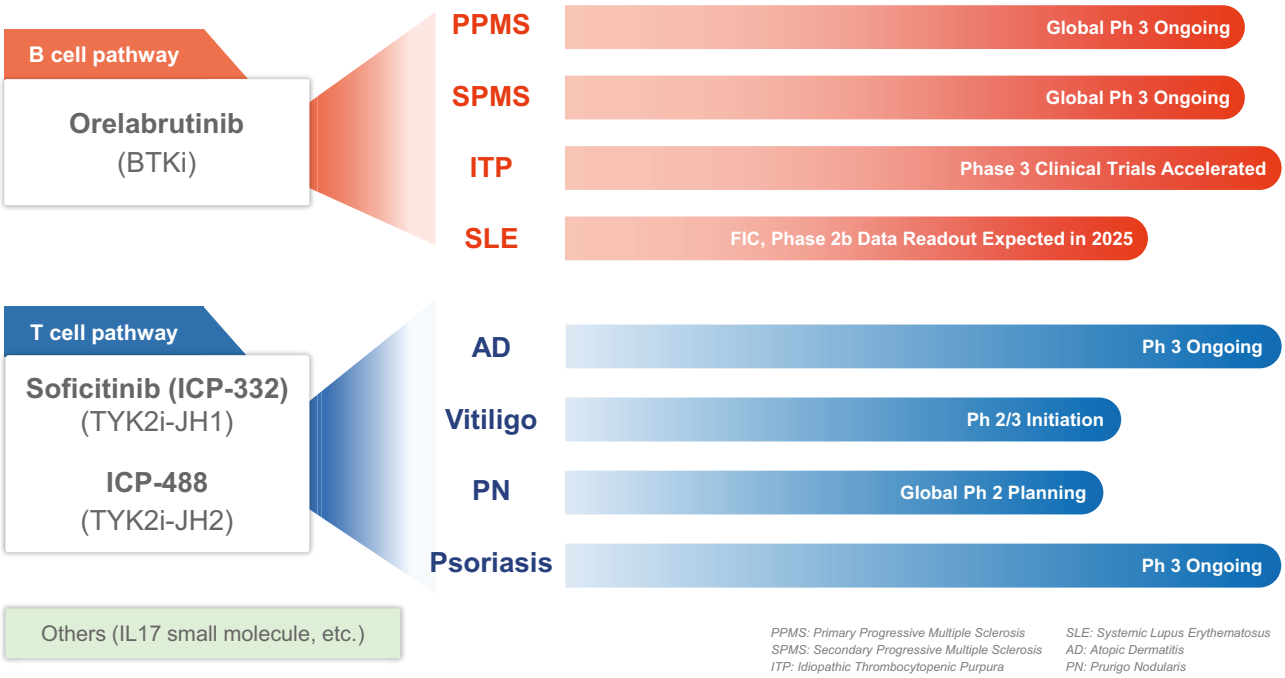
ICP-B05 (CM369)

ICP-B05, an anti-C-C motif chemokine receptor 8 ("**CCR8**") monoclonal antibody, is a potential first-in-class drug co-developed by our Company and KeyMed as a monotherapy or in combination for the treatment of various cancers. CCR8 has been shown to be selectively overexpressed on immunosuppressive regulatory T cells ("**Tregs**") in the tumor microenvironment ("**TME**"). ICP-B05 binds to CCR8 positive Tregs and eradicates immunosuppressive Tregs through ADCC to augment the anti-tumor immunity in TME while preserving peripheral homeostasis. ICP-B05 represents a potentially groundbreaking therapy in our arsenal against solid tumors, offering a targeted approach to deplete Tregs within the tumor microenvironment. This specificity in targeting Tregs promises to deliver more precise anti-tumor activity compared to other available immunotherapies. Its unique mechanism not only enhances our capabilities in solid tumor management but also synergizes with our existing treatment pipelines, reinforcing our position in the field of oncology. By focusing on the optimal depletion of tumor-associated Tregs, ICP-B05 could significantly improve therapeutic outcomes and mark a significant step forward in precision immunotherapy.

Currently, we are conducting a Phase I trial to evaluate the safety, tolerability, pharmacokinetic characteristics, and efficacy of ICP-B05 in subjects with advanced solid tumors and relapsed/refractory NHL. Dose escalation of ICP-B05 has reached 450 mg in solid tumor and 600 mg in NHL, ICP-B05 was well tolerated with no DLTs nor ≥grade3 TRAEs observed. The preliminary results demonstrated a favorable PK profile with sufficient exposure for target coverage and regulatory T-cell depletion. As of 6 January 2025, 12 patients had received at least one lesion assessment. 4 out of 12 patients (33.3%) achieved PR in main lesions. The 6-month PFS rate was 82.5% (95% CI: 46.1%-95.3%). Among the five patients with CCR8+ levels exceeding 10%, four (80%) achieved PR. Dose escalation is ongoing and we will explore the combination of ICP-B05 with other immunotherapies in various cancer indications after collecting the safety data of monotherapy.

Developing B-cell and T-cell Pathways in Autoimmune Diseases

Autoimmune diseases can affect almost every organ in the body and may arise at any stage of life. Many lead to chronic and debilitating conditions, and some have no known cure. The global markets for autoimmune diseases therapeutics are anticipated to reach US$185 billion by 2029, growing moderately at a CAGR of 3.7% over the forecast period, driven by the increasing prevalence of autoimmune diseases and immune-related secondary disorders, multiple new product launches, and rising treatment costs (3 October 2023, by iHealthcareAnalyst, Inc.). We have fortified our powerful discovery engine to focus on cutting-edge global targets for the development of autoimmune therapies through B-cell and T-cell pathways, with the aim of delivering first-in-class and/or best-in-class treatments to address the massive unmet clinical needs and strong market potential in China and globally.



Leveraging orelabrutinib's favorable safety profile, high selectivity, and central nervous system ("**CNS**") penetrance, we have established B-cell pathway regulation capabilities, enabling us to actively pursue its application in treating various auto-immune diseases. In September 2024, the FDA reached an agreement with the Company on the initiation of a Phase III study of orelabrutinib in patients with PPMS and also encouraged us to initiate a second Phase III clinical trial of orelabrutinib in SPMS. In February 2025, the Company reached an agreement with the FDA on the Phase III clinical trial protocol for SPMS. As of the date of this announcement, the Company is accelerating the initiation of the Phase III studies for PPMS and SPMS, with the goal of achieving first-patient-in for PPMS by mid-2025 and for SPMS within 2025, and we plan to accelerate these efforts to deliver much-needed therapies to patients.

Orelabrutinib achieved favorable PoC results in the treatment of ITP patients, particularly in those who had responded to previous GC/IVIG therapies. The registrational Phase III clinical trial in China is ongoing and is expected to be completed in 2025, with an NDA submission planned for the first half of 2026. Based on the positive results from the Phase IIa SLE clinical trial, we believe orelabrutinib could potentially become the first-in-class BTK inhibitor for the treatment of SLE. The Phase IIb trial in China completed patient enrollment in October 2024. This trial includes 186 patients with a treatment duration of 48 weeks, and the data readout is expected in the fourth quarter of 2025. Furthermore, the Company is evaluating potential indications such as Chronic Spontaneous Urticaria ("**CSU**") and Hidradenitis Suppuravativa ("**HS**"), among others.

Meanwhile, we are exploring the possibility of treating autoimmune diseases induced by T-cell dysfunctions with other potential candidates. We are developing ICP-332 and ICP-488, two TYK2 inhibitors for the treatment of various T-cell mediated autoimmune diseases, such as AD, vitiligo, psoriasis, PN, SLE, lupus nephritis ("**LN**"), Crohn's disease ("**CD**"), and ulcerative colitis ("**UC**").

With orelabrutinib as a B-cell pathway regulator and ICP-332 and ICP-488 as T-cell pathway regulators, we believe we are well positioned to provide oral drug solutions for the substantial unmet medical needs in autoimmune diseases.

B Cell Pathway — Orelabrutinib for Autoimmune Diseases

BTK is a member of the TEC family and is expressed in B lymphocytes, mast cells, macrophages, monocytes, and neutrophils. It is a key kinase in the BCR signaling pathway, and regulates B cell proliferation, survival, differentiation, and cytokine expression. Abnormal activation of BTK related signaling pathways can mediate autoimmune diseases. BTK has become a new and prominent therapeutic target for autoimmune diseases.

Because of orelabrutinib's high target selectivity and good safety profile, we are evaluating it as a novel therapy for the treatment of various autoimmune diseases.

Orelabrutinib for MS

In September 2024, the Company and the FDA reached an agreement on the initiation of a Phase III study of orelabrutinib in patients with PPMS. The FDA also encouraged us to initiate a second Phase III clinical trial of orelabrutinib in PMS within the SPMS population. In February 2025, the Company reached an agreement with the FDA on the Phase III clinical trial protocol for SPMS. As of the date of this announcement, the Company is accelerating the initiation of the Phase III studies for PPMS and SPMS, with the goal of achieving first-patient-in for PPMS by mid-2025 and for SPMS within 2025.

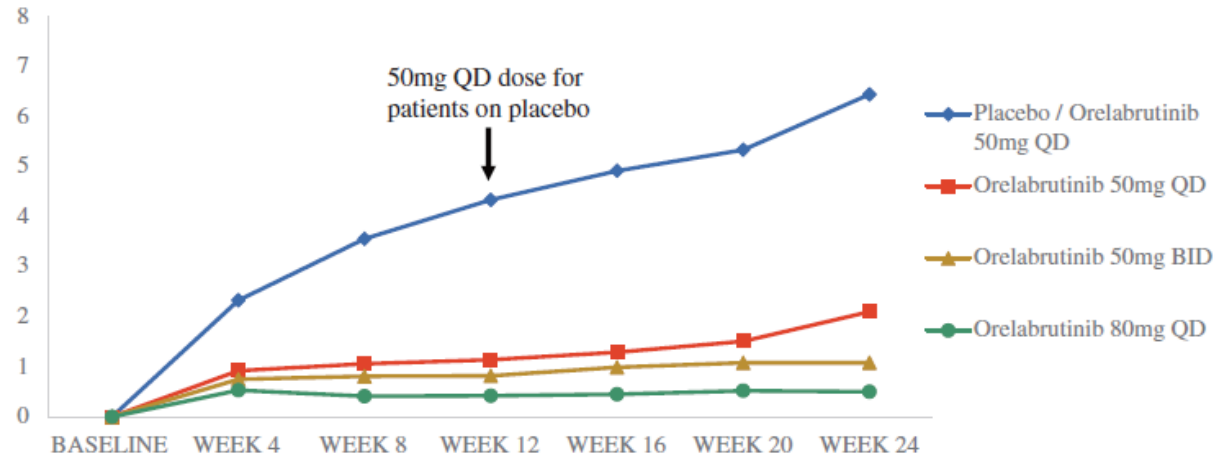
The Phase II results of orelabrutinib for the treatment of relapsing-remitting multiple sclerosis ("**RRMS**") was released at the 10th annual Americas Committee for Treatment and Research in Multiple Sclerosis ("**ACTRIMS**") Forum, a premier global event in neuroimmunology exploring cutting-edge developments in MS and related disorders. The results were also presented as an on-site poster (Poster No.: P094) on 27 February 2025.

Orelabrutinib was shown to be highly effective for the treatment of RRMS patients. The 80 mg once daily dose showed the best efficacy and safety profile and was therefore selected for Phase III progressive MS studies.

In this double-blind, Phase II trial, 158 eligible RRMS subjects were randomized in a 1:1:1:1 ratio to one of four treatment groups: placebo, orelabrutinib 50 mg QD, orelabrutinib 80 mg QD, and orelabrutinib 50 mg twice daily ("**BID**"). Subjects in the placebo group were switched to orelabrutinib 50 mg QD at Week 13. The primary endpoint was the cumulative number of new gadolinium-enhancing ("**Gd+**") T1 brain lesions at Week 12 (based on new Gd+ T1 lesions at Weeks 4, 8, and 12) compared to placebo.

At Week 12, all three treatment groups showed statistically significant reductions in the cumulative number of new Gd+ T1 lesions and new/enlarging T2 lesions compared to the placebo group ($p < 0.05$), while the 80 mg QD and 50 mg BID groups showed statistically significant reductions throughout 24 weeks compared to the placebo/50 mg QD group ($p < 0.05$). The 80 mg QD group demonstrated the highest reductions of 90.4% at Week 12 compared to placebo and 92.3% at Week 24 compared to the placebo/50 mg QD group. New lesion control in each orelabrutinib group occurred at the earliest assessment timepoint of Week 4 and was sustained through Week 24.

Adjusted Mean Cumulative Number of New Gd+ T1 Brain Lesions Up to Week 24 (PHS Population, N=115)



Note: QD=once daily, BID=twice daily, CI=confidence interval, Gd+=gadolinium-enhancing.

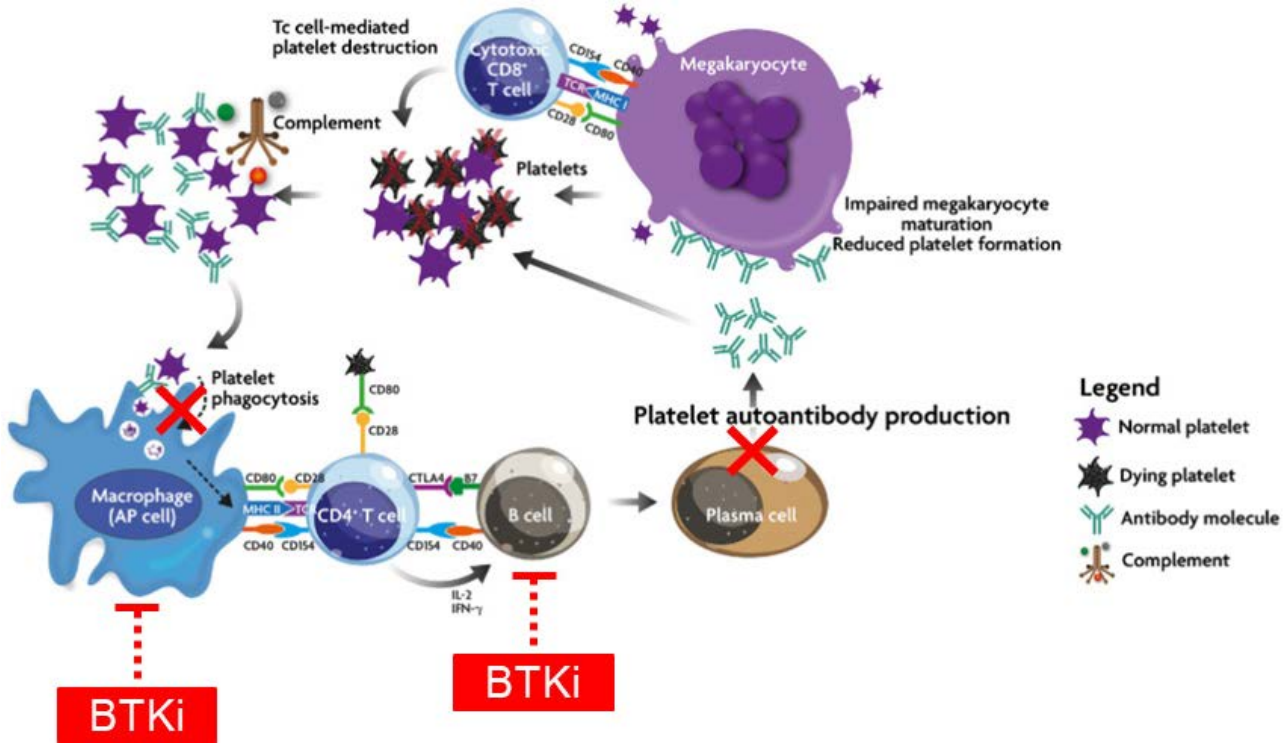
Cumulative number of New Gd+ T1 Lesion from Week 4 to Week 24	Placebo / Orelabrutinib 50mg QD (N=27)	Orelabrutinib 50mg QD (N=30)	Orelabrutinib 50mg BID (N=29)	Orelabrutinib 80mg QD (N=29)
Adjusted mean cumulative number (95% CI) of lesions from W4 to W24	6.45 (3.62, 11.52)	2.10 (0.62, 7.11)	1.08 (0.30, 3.81)	0.50 (0.09, 2.74)
Percent reduction		**67.4** (-22.0, 91.3)	**83.3** (33.2, 95.8)	**92.3** (56.5, 98.6)
P-value		**0.0958**	**0.0114**	**0.0037**

Orelabrutinib for ITP

ITP, also referred to as immune thrombocytopenic purpura, is an acquired immune mediated disorder characterized by a decrease in peripheral blood platelet counts, resulting in an increased risk of bruising and bleeding. The main pathogenesis of ITP is the loss of immune tolerance to platelet auto-antigens. This immune intolerance leads to increased platelet destruction and decreased platelet production from megakaryocytes by autoantibodies and cytotoxic T lymphocytes.

ITP, which has a U.S. prevalence of 23.6 cases out of 100,000 and a China prevalence of 9.5 cases out of 100,000, represents hundreds of thousands of patients globally. Current therapies, including corticosteroids, thrombopoietin receptor agonists, anti-CD20 monoclonal antibodies, and spleen tyrosine kinase inhibitors lack long-term tolerability or durable sustained responses. New safe and effective treatment options are needed for patients who have inadequate responses to previous lines of therapy.

BTK is a key kinase in the B cell receptor signaling pathway, which is essential for the activation of B lymphocytes, macrophages, and other immune cells as well as the production of antibodies in the pathological process of ITP. No BTK inhibitor has yet been approved for the treatment of patients with ITP. Orelabrutinib, with its high target selectivity and good safety profile, has the potential to become a novel treatment option for ITP patients.



Current Status

In the first half of 2023, the Phase II clinical trial of orelabrutinib for the treatment of ITP was completed in mainland China. This is a randomized, multicenter, open-label Phase II study to evaluate the efficacy and safety of orelabrutinib in adult patients with persistent or chronic primary ITP and provide a basis for a Phase III study design and dose selection. The primary endpoint was the proportion of subjects with platelet count $\geq 50\times10^9$/L (confirmed by two consecutive platelet counts, with an interval of at least 7 days) without rescue medication in the 4 weeks preceding the count elevation. As of the cut-off date on 6 February 2023, 33 patients were enrolled. Both the 50mg QD and 30mg QD doses of orelabrutinib were safe in the treatment of patients with ITP. Generally, patients receiving the 50mg QD dose responded rapidly and showed better efficacy, especially in those who had responded to previous GC/IVIG therapies. Overall, 36.4% (12/33) of patients met the primary endpoint, with 40% (6/15) of patients at the 50mg cohort reaching the primary endpoint. Among the 12 patients who met the primary endpoint, 83.3% (10/12) of the patients achieved a durable response, defined as the percentage of patients with platelet count $\geq 50\times10^9$/L for at least 4 of the 6 visits between weeks 14 and 24. Among the 22 patients who previously responded to GC or IVIG, 75.0% (6/8) of patients at the 50mg arm met the primary endpoint. Orelabrutinib demonstrated a favorable safety profile in the treatment of ITP, with all TRAEs being of grade 1 or 2.

The favorable Phase II results demonstrated a PoC of orelabrutinib in ITP and provided us with the confidence to advance the program. By leveraging the BTK inhibitor's advantage in ITP of decreased macrophage-mediated platelet destruction and reduced production of pathogenic autoantibodies, we positioned orelabrutinib as a preferred BTK inhibitor to obtain approval for the treatment in this idiopathic disease.

The PoC data from the ITP Phase II trial was selected as an oral presentation at the EHA 2023 Hybrid Congress on 12 June 2023 and published in The American Journal of Hematology in April 2024.

In the first half of 2023, we initiated the registrational Phase III trial in China, which is expected to be completed in 2025, with an NDA submission planned for the first half of 2026.

Orelabrutinib for SLE

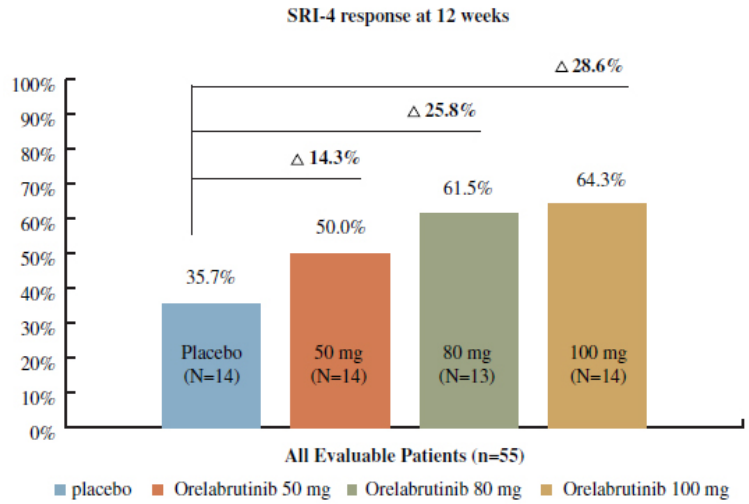
Orelabrutinib inhibits the BCR signaling cascade by binding to BTK, thereby preventing the proliferation and activation of B cells in autoimmune diseases. Pre-clinical data demonstrated that orelabrutinib has dose-dependent effects on improving kidney function, inhibiting arthritis, and reducing inflammation in SLE mouse models.

The root causes of SLE include family history, hormones, unhealthy lifestyles, certain environmental factors, drugs, and infections. The number of SLE patients in China is estimated to reach 1.06 million by 2025 with a compound annual growth rate of 0.7% from 2020 to 2025, and approximately to 1.09 million by 2030 with a compound annual growth rate of 0.5% from 2025 to 2030.

Current Status

In China, orelabrutinib's Phase IIa trial for SLE showed positive results. This was a randomized, double-blind, placebo-controlled, dose-finding study designed to evaluate the safety and tolerability of orelabrutinib in patients with mild to moderate SLE. Patients receiving standard therapy were randomized at a ratio of 1:1:1:1 to receive oral orelabrutinib at 50mg QD, 80mg QD, 100mg QD or placebo once daily for 12 consecutive weeks.

The Phase IIa results showed that orelabrutinib was safe and well tolerated at all doses. A dose-dependent efficacy was observed in evaluable patients treated with orelabrutinib. The SRI-4 response rates at 12-week were 35.7%, 50.0%, 61.5% and 64.3% in patients treated with placebo, 50mg/day, 80mg/day and 100mg/day of orelabrutinib, respectively. Treatment with orelabrutinib led to a reduction in proteinuria levels and improvement in immunologic markers, including reduced immunoglobulin G and increased complements C3 and C4. The results of this Phase IIa study was presented through a late-breaking oral presentation at 2022 European Alliance of Associations for Rheumatology ("**EULAR**") Congress.



Based on the Phase IIa results, we have initiated a Phase IIb study, and have completed patients recruitment in China. This is a randomized, double-blind, placebo controlled, multicenter, Phase IIb study. The primary purpose of the trial is to evaluate the efficacy of orelabrutinib in SLE patients, with a secondary objective of evaluating the safety, tolerability, and impact on the quality of life of subjects with moderate to severe SLE. Patients receiving standard therapy were randomized at a ratio of 1:1:1 to receive oral orelabrutinib at 50mg, 75mg, or placebo once daily for 48 consecutive weeks. The primary endpoint is the SRI-4 response rate, with other secondary points including time to first flare, steroid dose reduction, proteinuria, change in the number of swollen and tender joints, and changes from baseline in complement C3, complement C4, and anti-dsNDA antibody levels, etc. The Phase IIb trial in China completed patient enrollment in October 2024. An interim analysis at Week 48 with 50% of the patients is ongoing, and the results will be discussed with CDE for the next steps. The complete Phase IIb data readout is expected in the fourth quarter of 2025.

Based on the Phase IIa data, orelabrutinib has the potential to become the first BTK inhibitor to control disease activity in SLE patients, and its oral administration offers clear advantages over commonly used injectable SLE therapies.

T Cell Pathway — TYK2 for Autoimmune Diseases

ICP-332

ICP-332 is a small molecule inhibitor of TYK2 that is being developed for the treatment of various autoimmune disorders. TYK2 is a member of the JAK family and plays a critical role in transducing signals downstream of IL-12/IL-23 family interleukin receptors as well as type I interferon ("**IFN**") receptor. These cytokine/receptor pathways drive the functions of T helper 17 ("**TH17**"), THl, B and myeloid cells which are critical in the pathobiology of multiple autoimmune and chronic inflammatory diseases including psoriasis, psoriatic arthritis, IBD, lupus, AD, etc. ICP-332 was designed to be a potent and selective TYK2 inhibitor with 400-fold selectivity against JAK2 to avoid the adverse events associated with nonselective JAK inhibitors. Thus, by selective inhibition of TYK2, ICP-332 may become a potential therapy for multiple autoimmune diseases, such as AD, psoriasis, psoriatic arthritis, systemic lupus erythematosus, IBD, dermatomyositis and uveitis, with a better safety profile.

Atopic dermatitis is one of the most common skin eczemas and causes itching, redness and inflammation. According to Pharma Intelligence, AD has become a major autoimmune disease, with a 12-month prevalence rate ranging from 0.96–22.6% in children and 1.2–17.1% in adults, indicating a global market potential of US$10 billion in 2030. In China, according to Frost & Sullivan Analysis, AD patients numbered 65.7 million in 2019 and is estimated to reach 81.7 million people by 2030, reflecting a compound annual growth rate of 1.7%. For moderate and severe patients, AD could seriously impact life quality due to recurring itching, which is associated with sleep disturbances in 33% to 90% of adult patients (*J Allergy Clin Immunol Pract*. 2021 Apr; 9(4): 1488–1500). Thus, reducing itching was an urgent need for most patients with moderate to severe AD. With the tremendous potential to address the massive unmet medical needs of millions of patients outlined above, we anticipate ICP-332 will become a cornerstone product of our autoimmune franchise.

Current Status

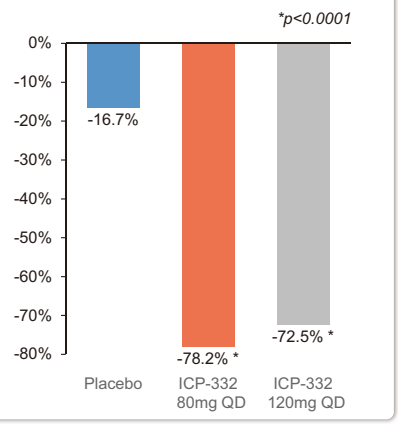
We have announced the positive Phase II PoC data in December 2023. The Phase II study is a randomized, double-blind, placebo-controlled trial evaluating the safety, efficacy, pharmacokinetics, and pharmacodynamics of ICP-332 in moderate-to-severe AD. A total of 75 adult subjects with moderate to severe AD were enrolled, with 25 subjects in the 80mg QD treatment group, 120mg QD treatment group, and placebo group. Patients received four weeks of treatment with a 28-day safety follow-up.

Patients with AD treated with ICP-332 for 4 weeks showed excellent efficacy and safety profiles. ICP-332 achieved multiple efficacy endpoints, including percentage reductions from baseline in Eczema Area and Severity Index score, EASI 50, EASI 75, EASI 90 (improvement of at least 50%, 75%, and 90% in EASI score from baseline) and

Investigator's Global Assessment (IGA) 0/1 (score of 0 clear or 1 almost clear) in the 80mg and/or 120mg group respectively.

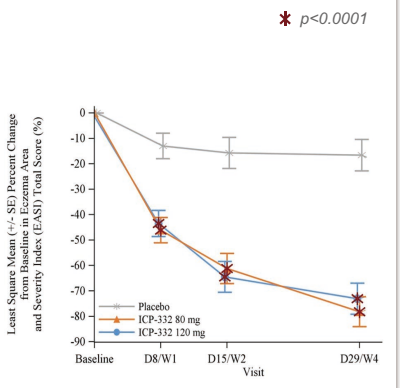
Percent Change from Baseline in EASI

Total Score at Week 4 - Main Analysis (FAS)



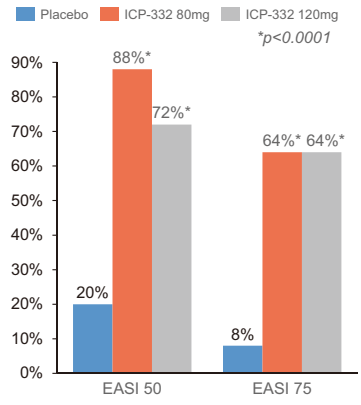
Percent Change from Baseline in EASI

Total Score by visit (FAS)



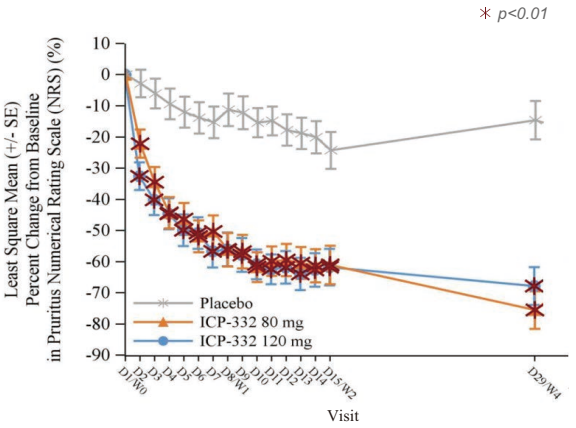
High Proportion of Patients Achieved

EASI 50 and EASI 75 at Week 4



Quick and Statistically Significant Response from Day 2

Pruritus Numerical Rating Scale (NRS)



Improvement of Patient Quality of Life

Dermatology Life Quality Index (DLQI) Score Change from Baseline by Visits (Full Analysis Set)

	Placebo (N=25)	ICP-332 80mg (N=25)	ICP-332 120mg (N=25)
D8/W1	-3.3(-4.8,-1.9)	-6.5(-8.0,-5.1)	-6.8(-8.4,-5.3)
	p-value	**0.0027**	**0.0018**
D15/W2	-2.2(-4.2,-0.2)	-8.7(-10.7,-6.7)	-7.9(-9.9,-5.9)
	p-value	**<0.0001**	**0.0002**
D29/W4	-1.2(-3.3,0.9)	-10.8(-12.8,-8.8)	-8.9(-11.0,-6.8)
	p-value	**<0.0001**	**<0.0001**

The mean percentage change from baseline in the EASI score reached 78.2% and 72.5% for the once-daily dosing groups of 80mg and 120mg, respectively, both with a high statistical significance (p<0.0001), compared to 16.7% for patients receiving placebo. EASI 75 reached 64% and 64% in the 80mg and 120mg dosing group respectively, compared to 8% percent for patients receiving placebo (p<0.0001). In the 80mg QD treatment group, the difference from placebo reached 56% in EASI 75, 40% in EASI 90, 32% in IGA 0/1 and 56% in the pruritic numerical rating scale ("**NRS**") ≥4 Improvement (p<0.01).

In addition, significant improvement was observed with respect to pruritus (itch). Patients treated with ICP-332 experienced a rapid improvement in pruritus severity and frequency beginning on Day 2 across both the 80 and 120mg ICP-332 doses, as measured by NRS ($p<0.01$).

ICP-332 was safe and well tolerated in AD patients. In this study, all treatment-related adverse events were mild or moderate. The overall incidence rates of TRAEs and TRAEs related to infections and infestations in the two treatment groups were comparable to the placebo group.

The results of this Phase II study was presented through a late-breaking oral presentation at 2024 American Academy of Dermatology Annual Meeting.

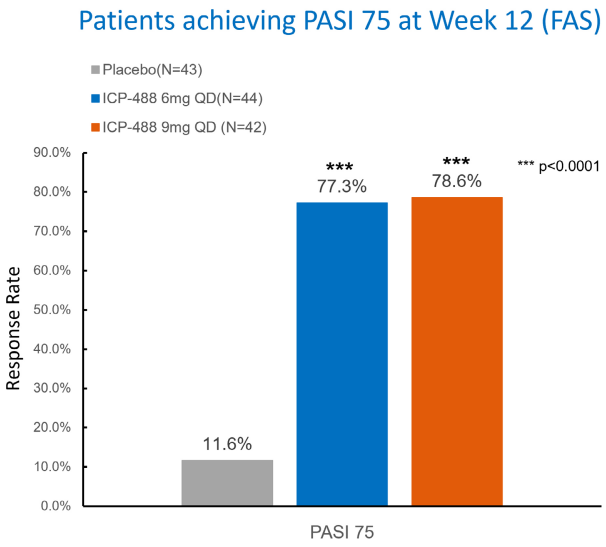
Positive results from the Phase II study of ICP-332 highlight its strong potential for the effective treatment of AD and/or other autoimmune diseases, with the potential best efficacy for AD. We will continue to evaluate the potential of ICP-332 in Phase III trials for AD and across multiple immune-mediated diseases. We began patient enrollment for the Phase III trial for AD in the fourth quarter of 2024 and as of this announcement, more than 110 patients have been enrolled. In order to further explore the potential of ICP-332, we have also initiated a clinical trial for vitiligo in China. In the U.S., we have completed the Phase I trial of ICP-332 and will engage with the FDA to start a new indication this year.

ICP-488

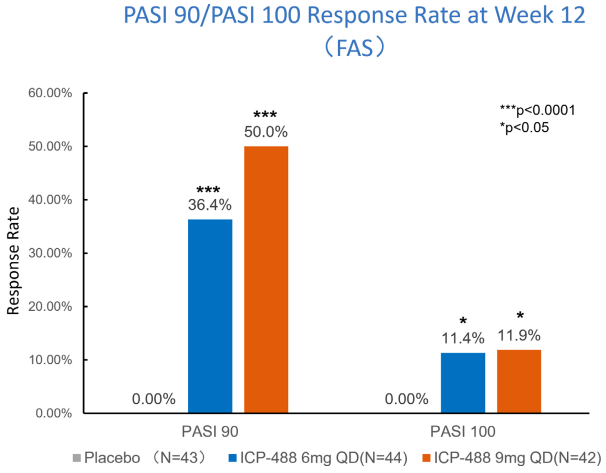
ICP-488 is a small molecule inhibitor of the pseudo kinase domain JH2 of TYK2. JH2 has an important regulatory role in TYK2 kinase catalytical activity, and mutations in JH2 have been shown to be the cause of or be linked with impaired TYK2 activity. ICP-488 is a potent and selective TYK2 allosteric inhibitor that, by binding to the TYK2 JH2 domain, blocks IL-23, IL12, type 1 IFN and other autoimmune cytokine receptors. We intend to develop ICP-488 for the treatment of autoimmune diseases such as psoriasis, psoriatic arthritis, SLE, LN, and IBD, etc. Together with ICP-332, ICP-488 will further enrich our TYK2 portfolio.

Psoriasis is an immune-mediated disease that causes raised, scaly patches on the skin due to systemic inflammation. The typical clinical manifestations are scaly plaques, either localized or widely distributed, and are often difficult to treat. The cause of psoriasis involves multiple factors such as genetics, immunity, and the environment. The immune response is mainly mediated by T lymphocytes with involvement from a variety of immune cells. The immune pathways related to interleukin 23 (IL-23) and helper T cells 17 (Th17) serve as key regulators of psoriasis. According to the World Psoriasis Day consortium, over 125 million people worldwide had psoriasis in 2022, accounting for 2%-3% of total population.

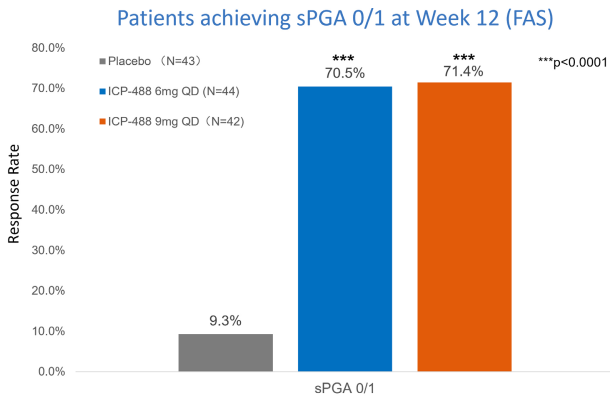
As of the date of this announcement, we have obtained positive results from the Phase II randomized, double-blind, placebo-controlled study of ICP-488 in patients with moderate-to-severe plaque psoriasis. Additionally, a statistically significant greater proportion of patients achieved PASI 90, PASI 100 and static Physician Global Assessment scores of 0/1 in the ICP-488 dosing arms compared to placebo.



A significantly greater proportion of patients treated with ICP-488 for 12 weeks achieved PASI 75 (77.3%, 78.6%; 6mg, 9mg, respectively) versus placebo (11.6%; p<0.0001), meeting the study's primary endpoint.



A significantly greater proportion of patients treated with ICP-488 for 12 weeks achieved PASI 90 (36.4%, 50.0%; 6mg, 9mg, respectively) versus placebo (0%; p<0.05), and PASI 100 (11.4%, 11.9%; 6mg, 9mg, respectively) versus placebo (0%; p<0.05).



A significantly greater proportion of ICP-488 treated patients achieved sPGA scores of 0/1 (70.5%, 71.4%; 6mg, 9mg, respectively) versus placebo (9.3%; p<0.0001) at 12 weeks. An sPGA score of 1 indicates almost clear skin, while a score of 0 indicates totally clear skin.

In this study, most TEAEs and TRAEs were mild or moderate in severity and self-limited.

The results of this Phase II study was presented as a late-breaking oral presentation at 2025 American Academy of Dermatology Annual Meeting.

We have achieved the FPI for the Phase III trial for plaque psoriasis and aim to complete patient enrollment by 2025.

BUILDING A COMPETITIVE DRUG PORTFOLIO FOR SOLID TUMOR TREATMENT

In our ongoing efforts to address the growing needs in solid tumors, we are committed to building a competitive drug portfolio aimed at treating a broad range of solid tumor indications. We are expanding the scope of our pipeline through a combination of targeted therapies, immuno-oncology approaches, and cutting-edge ADC technology. Our R&D team is focused on discovering and developing novel platforms that target various solid tumors, utilizing innovative technologies to identify and advance potential drug candidates that offer significant clinical benefits. We believe that our proprietary ADC technology platform, alongside promising candidates like ICP-723, will enable us to establish a strong presence in the field of solid tumor treatment.

ICP-723 (Zurletrectinib)

ICP-723 is a second-generation small molecule pan-inhibitor of tropomyosin-related kinase designed to treat patients with NTRK gene fusion-positive cancers who were TRK inhibitor treatment-naive or who have developed resistance to the first generation TRK inhibitors, regardless of cancer types. First generation pan-TRK inhibitors have shown rapid and durable responses in patients with TRK gene fusions, however, patients can develop acquired resistance. Preclinical data showed that ICP-723 markedly inhibited the activity of the wild type TRKA/B/C as well as mutant TRKA with resistant mutation G595R or G667C. This finding provides strong evidence that ICP-723 could overcome acquired resistance to the first generation TRK inhibitors.

In July 2024, the British Journal of Cancer, part of the leading science journal Nature, published a paper on zurletrectinib. The journal concluded that zurletrectinib is a novel, highly potent next-generation TRK inhibitor with superior in vivo brain penetration and stronger intracranial activity compared to other next-generation agents. The paper highlighted zurletrectinib's strong potency against TRKA, TRKB, and TRKC wild-type kinases, as well as acquired resistance mutations TRKA G595R and TRKA G667C. Zurletrectinib also demonstrated improved blood-brain barrier penetration, translating into enhanced antitumor activity compared to selitrectinib and repotrectinib. In an orthotopic mouse glioma xenograft model carrying the TRKA G598R/G670A resistance mutation, zurletrectinib (15 mg/kg) significantly improved the survival of mice harboring orthotopic NTRK fusion-positive, TRK-mutant gliomas (median survival = 41.5, 66.5, and 104 days for selitrectinib, repotrectinib, and zurletrectinib respectively; $P < 0.05$), showing superior efficacy compared to repotrectinib (15 mg/kg) and selitrectinib (30 mg/kg) (P=0.0384 and 0.0022, respectively), with an excellent safety profile.

Mechanism of Action

The TRK family consists of three proteins referred to as TRKA, TRKB and TRKC, respectively, which are encoded by neurotrophic receptor tyrosine kinase genes NTRKl, NTRK2 and NTRK3, respectively. TRKs play an important role in maintaining normal nervous system function. Unwanted joining of separated NTRK genes, or NTRK gene fusions, have been found to contribute to tumorigenesis in a variety of different cancers, with high prevalence in infantile fibrosarcoma, salivary gland carcinomas and thyroid carcinoma. NTRK fusions have also been detected at lower frequencies, in soft-tissue sarcomas, thyroid cancer, mammary analogue secretory carcinoma of salivary glands, lung cancer, colorectal cancer, melanoma, breast cancer, etc.

Current Status

A Phase II registrational trial has been completed in mainland China for ICP-723 in adult and adolescent patients (12+ years of age) with advanced solid tumors harboring NTRK gene fusions. The primary efficacy endpoint was the ORR assessed by IRC. Among the 55 subjects included in the ISE analysis, the IRC-assessed ORR was 85.5% (95% CI: 73.3, 93.5). Zurletrectinib was shown to overcome acquired resistance to first-generation TRK inhibitors, bringing hope to patients who failed prior TRKi therapy. The NDA for ICP-723 is scheduled for submission by the end of March 2025. Furthermore, the registrational trial for pediatric patients (2 years ≤ age < 12 years) is ongoing, with the NDA submission targeted within 2025.

ICP-189

ICP-189 is a potent oral allosteric inhibitor of SHP2 with reliable selectivity over other phosphatases. It is being developed for the treatment of solid tumors as a potential cornerstone therapy in combination with other antitumor agents. SHP2 is a key upstream regulator of the RAS-MAPK pathway and thus plays an essential role in the signaling by multiple oncogenic driver kinases, as well as a key signal transducer of PD-1 signaling, making SHP2 inhibitor an ideal partner for combination with multiple targeted and immuno-oncology therapies.

In preclinical in vivo efficacy studies, ICP-189 demonstrated significant anti-tumor effects in various xenograft models as monotherapy. ICP-189 has also shown promising preliminary activity in combination with a range of targeted therapies and immunotherapies, including inhibitors of EGFR, KRAS, MEK and PD-1, in preclinical studies. The in vivo efficacy of ICP-189 is well accompanied by pharmacodynamic modulations, where ICP-189 exposure levels correlate with reduced p-ERK and DUSP6 mRNA levels in tumors.

We are conducting a Phase Ia dose escalation study to evaluate the safety, tolerability, pharmacokinetics, and preliminary anti-tumor activity of ICP-189 in patients with advanced solid tumors in China. As of the date of this announcement, the patient enrollment at the 160 mg QD dose is ongoing. There were no DLTs nor ≥grade3 TRAEs observed up to 120 mg. ICP-189 demonstrated dose-proportional pharmacokinetics and long half-life. ICP-189 achieved sufficient exposure to effectively target IC_{90} against DUSP6, a downstream biomarker of MAPK pathway. Preliminary efficacy was observed in ICP-189 monotherapy, 1 patient with cervical cancer in the 20mg dose cohort achieved PR which sustained for 14 cycles.

On 14 July 2023, InnoCare and ArriVent announced a clinical development collaboration to evaluate the combination of InnoCare's novel SHP2 allosteric inhibitor, ICP-189, with ArriVent's firmonertinib, a highly brain-penetrant, broadly active mutation-selective EGFR inhibitor in patients with advanced NSCLC. Preclinical studies demonstrated that the combination of ICP-189 and firmonertinib could overcome the resistance to third-generation EGFR inhibitors.

We have completed the Phase Ib dose finding study of ICP-189 combined with firmonertinib. No DLTs were observed during the dose finding phase. The preliminary dose for expansion was determined as ICP-189 160 mg plus firmonertinib 80 mg by the SMC. Among the 9 patients enrolled, 8 patients achieved stable disease, including 2 patients who are still on treatment in the ICP-189 160 mg plus firmonertinib 80 mg dose cohort. As of the date of this announcement, the dose expansion study is ongoing with 2 patients enrolled. We anticipate a Phase Ib data readout in 2025.

In-House Developed Antibody-Drug Conjugate (ADC) Platform

Antibody-Drug Conjugates (ADCs) are a class of targeted therapies that combine the specificity of antibodies with the potency of cytotoxic drugs, enabling the precise delivery of therapeutic agents directly to cancer cells. ADCs consist of three main components: an antibody that specifically binds to cancer cell surface antigens, a cytotoxic payload that delivers cell-killing activity, and a linker that connects the antibody to the payload.

The Company has developed a cutting-edge, in-house ADC platform with proprietary linker-payload (LP) technologies, designed to deliver potent and targeted therapies for cancer treatment. This platform allows for the creation of highly differentiated drug candidates with improved efficacy and safety profiles. Key features of the platform include:

- Irreversible bioconjugation: Ensures stable bioconjugation, optimizing the stability and consistency of the ADC molecules.

- Hydrophilic Linker: enhancing ADC stability and achieving a drug-to-antibody ratio (DAR) of 8.

- Novel Payload: Incorporates highly potent cytotoxic payloads with strong bystander effects.

The advantages of this platform are expected to significantly enhance the efficacy and therapeutic window of drug candidates, thereby broadening treatment options for patients and improving their clinical outcomes. As the platform continues to evolve, the Company is well positioned to expand its portfolio with multiple differentiated ADC candidates, further advancing precision medicine in oncology.

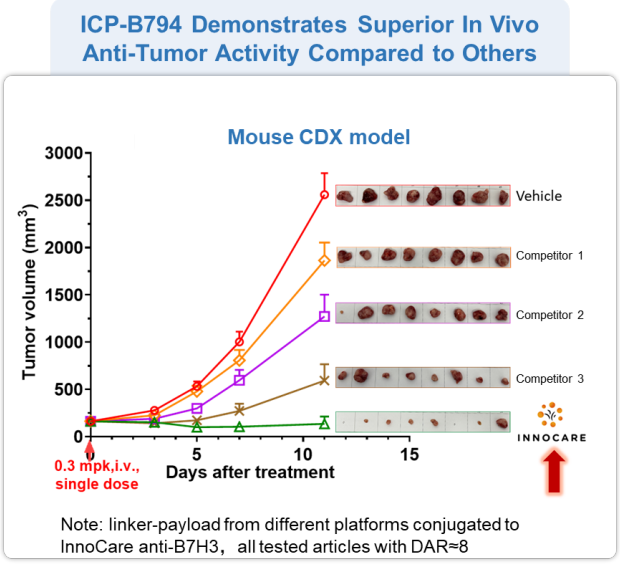
ICP-B794: A Novel B7H3 Targeted ADC for Solid Tumors

ICP-B794 is a novel ADC comprising a human anti-B7H3 monoclonal antibody conjugated to our potent payload (a novel topoisomerase 1 inhibitor) via a protease-cleavable linker, with a drug-to-antibody ratio of 8. ICP-B794 was developed using InnoCare's innovative linker-payload platform, which is characterized by a highly hydrophilic linker-payload, a stable connector designed to avoid retro-Michael reactions, and remarkable stability in circulation. In preclinical studies, ICP-B794 exhibited potent anti-tumor activity in various CDX mouse models with SCLC, NSCLC and other solid tumors.

B7H3, a member of the B7 family of immune checkpoint molecules, is a single-pass transmembrane glycoprotein. Elevated expression of B7H3 has been found in various solid tumors, including prostate, ovarian, pancreatic, colorectal cancers, and melanoma. Due to its tumor-specific expression, B7H3 is considered a promising target for broad cancer therapy.

In vivo antitumor activities of ICP-B794

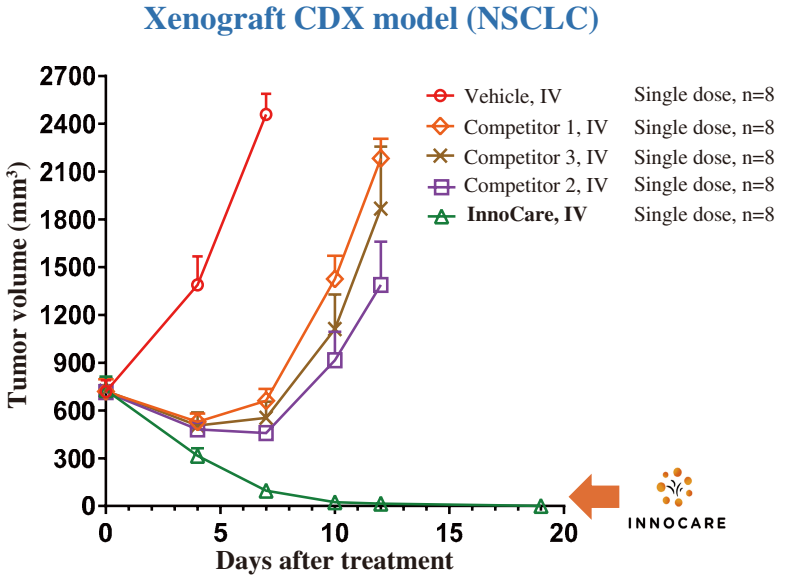
In an efficacy comparison study in the NCI-H1155 NSCLC CDX model, a single dose as low as 0.3 mg/kg of ICP-794 caused ~100% TGI, surpassing that of linker-payloads from competitor platforms conjugated to the same anti-B7H3 antibody. Throughout the treatment period, no abnormal clinical observations or significant changes in body weight were noted, indicating good tolerability of ICP-B794 in the NCI-H1155 model.



Robust anti-tumor activity in large tumor

Typically, preclinical ADC therapeutic studies in mice focus on treating small subcutaneous tumors ranging from 100 to 200 mm^3 in size. However, tumors or metastases found in patients with cancer are frequently much larger by the time they are detectable. Success in treating larger tumors is crucial, as large tumors are more clinically relevant.

ICP-B794 Exhibits Significant Tumor-killing Effect Even in Large Tumors



A single 5 mg/kg dose of ICP-B794 caused 100% tumor regression in the NCI-H1155 xenograft mouse model even when tumor volume was around 700 mm^3.

Superior safety with significantly larger therapeutic window

By combining the specificity of an antibody with the cytotoxicity of a potent small molecule drug, ADCs can precisely deliver toxins to tumors while sparing normal tissues, thereby increasing the therapeutic window of a drug. In support of this concept, preclinical data demonstrate that conjugating a drug to an antibody can lower the minimum effective dose and increase the maximum tolerated dose ("**MTD**") of the drug.

The safety window is >200-fold, calculated using the minimum effective dose ("**MED**") of 0.15 mg/kg in preclinical studies. We believe InnoCare's ADC platform has the potential to be best-in-class.

The Company will submit an IND application for ICP-B794 in the first half of 2025.

MANUFACTURING

Guangzhou Manufacturing Facility

Our 83,000 m^2 small molecule in-house Guangzhou manufacturing facility ("**Guangzhou Base**") complies with Good Manufacturing Practice ("**GMP**") requirements of the U.S., Europe, Japan, and China, and has an annual production capacity of one billion pills. We have successfully obtained a manufacturing license for the facility. Upon receiving approval from the China NMPA to begin the production of commercial supply of our self-developed BTK inhibitor orelabrutinib at the Guangzhou Base, we began manufacturing orelabrutinib at the Guangzhou small molecule production facility, which was released to the commercial market since August 2022.

Improving the solubility of poorly soluble drugs has become a focus and challenge in the research and development of innovative drug formulation. Our Guangzhou Base has built a technical platform to address such challenges, including the establishment of international advanced production lines of spray-dried solid dispersion and solid dosage forms, and equipped with three major technology platforms: solubilization preparation technology for poorly soluble drugs, release preparation technology for oral solid dosage forms, and targeted drug delivery technology, thereby effectively addressing the common problems faced by the industry. Our solid dispersion technology is the core of the solubilization process, which can accelerate the solubility and dissolution rate of poorly soluble drugs, thus improving the bioavailability of drugs and better supporting the development and production of new drugs. In 2022, our Guangzhou Base was honored by the Guangdong Government as the Guangdong Engineering Technology Research Center of Insoluble Drug Innovation Preparation (廣東省難溶性藥物創新製劑工程技術研究中心) and recognized as a Guangdong Specialized and Sophisticated SMEs (廣東省專精特新中小型企業).

Additionally, we have successfully completed the second and third phase of construction. In the second phase, several projects PPQ (produce performance qualification) have been accomplished. The third phase of construction is planned to support the upcoming new product launches in 2025 and beyond. Both projects create an additional 19,600 m^2 of production area to support our growing drug pipeline and continued business expansion.

Beijing Manufacturing Facility

We have established a large molecules CMC (chemistry, manufacturing and controls) pilot facility which is poised to enter the operational phase for early clinical supplies in Changping, Beijing. Meanwhile, a 70,381 m^2 plot of land in Beijing, adjacent to our Company's headquarters inside the Life Science Park, was selected to build a landmark R&D center and large molecule production facility.

OTHER CORPORATE DEVELOPMENTS

On 26 April 2024, the Company announced the release of 2023 Environmental, Social, and Corporate Governance report ("**2023 ESG Report**"). This marks the fifth year the Company has issued its ESG report, and the first year it has set up specific environmental management targets. In the 2023 ESG Report, the Company committed to a 10% reduction in its greenhouse gas emissions intensity, energy use intensity, and industrial wastewater discharge intensity, respectively, by 2028, based on 2023 levels, with compliance rates for exhaust gas emission treatment and waste treatment reaching 100%, in order to achieve green production and minimize the environmental impact resulting from the production process.

In order to continue to improve the Company's long-term incentive mechanism, attract and retain outstanding personnel, fully mobilise employee enthusiasm, effectively align the interests of shareholders, the Company, and core teams, and enable all parties to share a common concern for the Company's long-term development, the Company adopted the 2024 RMB Share Incentive Scheme, under which no more than 12,337,750 RMB Shares of the Company may be issued and granted to incentive participants. The adoption of the 2024 RMB Share Incentive Scheme was approved by Shareholders on 17 December 2024.

EVENTS AFTER THE END OF THE REPORTING PERIOD

Subsequent to 31 December 2024, the following significant events took place:

The Company appointed Prof. Kunliang Guan as an independent non-executive Director with effect from 21 January 2025. For details of the personal particulars of Prof. Kunliang Guan required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules, please refer to the announcement of the Company dated 21 January 2025.

Prof. Kunliang Guan obtained the legal advice referred to in Rule 3.09D of the Listing Rules on 9 January 2025, and confirmed that he understood his obligations as a director of the Company.

From 22 January 2025 to 24 January 2025, the Company repurchased an aggregate of 1,126,000 shares (which were held as treasury shares) on the Stock Exchange at the highest and lowest prices of HK$5.82 and HK$5.57 per share, respectively. The aggregate purchase price paid for the share repurchase was approximately HK$6,421,700.

Save as disclosed in this announcement, no other important events affecting the Company occurred after 31 December 2024 and up to the date of this announcement.

FINANCIAL REVIEW

Revenue

	Year Ended 31 December			
	2024		2023	
	RMB'000	***%***	*RMB'000*	*%*
Revenue from continuing operations				
Net sales of drugs	**1,005,621**	**99.6**	671,582	90.9
Research and development and other services	**3,827**	**0.4**	66,955	9.1
Total Revenue	**1,009,448**	**100.0**	738,537	100.0

Total revenue increased from RMB738.5 million for the year ended 31 December 2023 to RMB1,009.4 million for the year ended 31 December 2024. Net sales of drugs increased by 49.7% from RMB671.6 million for the year ended 31 December 2023 to RMB1,005.6 million for the year ended 31 December 2024, which is attributed to the rapid ramp-up of orelabrutinib sales volume with growth rate of 49.1% compared to 2023. The change in revenue from research and development and other services is primarily due to the completion of the services fee arrangement with Biogen in the third quarter of 2023

Gross Profit and Gross Profit Margin

	Year Ended 31 December			
	2024		2023	
	RMB'000	***%***	*RMB'000*	*%*
Sales of drugs	**868,727**	**99.7**	581,114	95.2
Research and development and other services	**2,280**	**0.3**	28,988	4.8
Gross Profit	**871,007**	**100.0**	610,102	100.0

Gross profit increased by 42.8% to RMB871.0 million for the year ended 31 December 2024 from RMB610.1 million for the year ended 31 December 2023. Gross profit margin was 86.3% for the year ended 31 December 2024, representing an increase of 3.7 percentage points as compared with 82.6% for the year ended 31 December 2023. The gross profit margin improvement was primarily due to a change in the sales mix between drug and service revenue, as well as improved manufacturing efficiency for orelabrutinib.

Segmental Information

The Group is engaged in biopharmaceutical research and development, manufacturing, commercialization and services, which are regarded as a single reportable segment in a manner consistent with the way in which information is reported internally to the Group's senior management for purposes of resource allocation and performance assessment. Therefore, no analysis by operating segment is presented.

Other Income and gains

Our other income and gains decreased from RMB244.2 million for the year ended 31 December 2023 to RMB210.8 million for the year ended 31 December 2024, primarily attributable to RMB17.1 million decrease in the government grants from RMB38.2 million for the year ended 31 December 2023 to RMB21.1 million for the year ended 31 December 2024 and RMB20.7 million decrease in bank interest income from RMB192.3 million for the year ended 31 December 2023 to RMB171.6 million for the year ended 31 December 2024.

Selling and Distribution Expenses

Selling and distribution expenses increased from RMB366.9 million for the year ended 31 December 2023 to RMB420.0 million for the year ended 31 December 2024, whilst the selling and distribution expenses to drug sales ratio reduced from 54.6% in 2023 to 41.8% in 2024, mostly as a result of continuous improvements in operational efficiency and decreased share-based payment expenses.

	Year Ended 31 December			
	2024		2023	
	RMB'000	***%***	*RMB'000*	*%*
Market research, market promotion and education	**224,969**	**53.6**	171,829	46.8
Employee expense	**186,935**	**44.5**	155,115	42.3
Share-based compensation	**(29,745)**	**(7.1)**	8,223	2.2
Others	**37,802**	**9.0**	31,724	8.7
Selling and Distribution Expenses	**419,961**	**100.0**	366,891	100.0

Research and Development Expenses

Our research and development costs increased by 8.4% from RMB751.2 million for the year ended 31 December 2023 to RMB814.0 million for the year ended 31 December 2024, primarily due to increased investments in advancing technology platform innovation and clinical studies for unmet medical needs.

	Year Ended 31 December			
	2024		2023	
	RMB'000	***%***	*RMB'000*	*%*
Direct clinical trial and third-party contracting expense	**333,266**	**40.9**	291,712	38.8
Employee expense	**282,891**	**34.8**	255,436	34.0
Share-based compensation	**(3,097)**	**(0.4)**	29,045	3.9
Depreciation and amortization	**76,756**	**9.4**	59,997	8.0
Others	**124,211**	**15.3**	114,986	15.3
Research and development costs	**814,027**	**100.0**	751,176	100.0

(i) RMB41.6 million increase of direct clinical trial and third party contracting expense from RMB291.7 million to RMB333.3 million;

(ii) RMB27.5 million increase of R&D employees expense from RMB255.4 million to RMB282.9 million;

(iii) RMB32.1 million decrease of share-based compensation from RMB29.0 million to RMB-3.1 million;

(iv) RMB16.8 million increase of depreciation and amortisation from RMB60.0 million to RMB76.8 million; and

(v) RMB9.2 million increase of other R&D expenses such as trial materials, consumables and energy, etc., from RMB115.0 million to RMB124.2 million.

Administrative Expenses

Administrative expenses decreased by RMB9.6 million from RMB193.5 million for the year ended 31 December 2023 to RMB183.9 million for the year ended 31 December 2024, primarily attributable a one-time substitute payment made in 2023 to terminate the IP transfer agreement between InnoCare and BioDuro.

	Year Ended 31 December			
	2024		2023	
	RMB'000	***%***	*RMB'000*	*%*
Employee expense	**81,871**	**44.5**	79,904	41.3
Share-based compensation	**22,050**	**12.0**	27,836	14.4
Professional fees	**25,886**	**14.1**	31,553	16.3
Depreciation and amortisation	**16,831**	**9.2**	16,737	8.6
Taxes and surcharges	**15,236**	**8.3**	9,704	5.0
Substitutes of interest distribution on terminating BTK agreement	**—**	**—**	10,766	5.6
Others	**21,986**	**11.9**	17,020	8.8
Administrative Expenses	**183,860**	**100.0**	193,520	100.0

Other Expenses

Other expenses decreased from RMB92.7 million for the year ended 31 December 2023 to RMB46.4 million for the year ended 31 December 2024, primarily due to the reduction of unrealized foreign exchange loss derived from USD appreciation against RMB when exchanging the overseas company's RMB balance to its functional currency, USD. This reduction was driven by a smaller appreciation of the US dollar against the RMB compared to last year.

Fair value changes of convertible loan

Our fair value changes of convertible loan with Guangzhou Kaide changed from a loss of RMB54.0 million for the year ended 31 December 2023 to a loss of RMB29.6 million for the year ended 31 December 2024. We fully repaid this convertible loan in August 2024.

Share of losses of joint ventures

Share of losses of joint ventures was RMB5.3 million for the year ended 31 December 2024 compared to a loss of RMB4.9 million for the year ended 31 December 2023.

Finance Costs

Our finance costs decreased slightly from RMB35.1 million for the year ended 31 December 2023 to RMB33.8 million for the year ended 31 December 2024.

Analysis of Key Items of Financial Position

Net Current Assets

The following table sets forth our current assets and current liabilities as of the dates indicated:

	As of 31 December	
	2024	2023
	RMB'000	*RMB'000*
CURRENT ASSETS		
Trade and bills receivables	**351,002**	307,638
Prepayments, other receivables and other assets	**88,084**	113,994
Inventories	**95,577**	119,095
Other financial assets	**1,062,899**	—
Cash and bank balances	**6,222,626**	8,224,596
Total current assets	**7,820,188**	8,765,323
CURRENT LIABILITIES		
Interest-bearing bank borrowings	**193,797**	5,000
Trade payables	**128,363**	134,905
Other payables and accruals	**695,512**	667,717
Deferred income	**11,724**	12,008
Lease liabilities	**31,608**	23,233
Convertible loan	**—**	1,251,131
Total current liabilities	**1,061,004**	2,093,994
NET CURRENT ASSETS	**6,759,184**	6,671,329

We had net current assets of RMB6,759.2 million as of 31 December 2024, which was primarily attributable to our cash and bank balances of RMB6,222.6 million, trade and bills receivables of RMB351.0 million and other financial assets of RMB1,062.9 million, which were partially offset by other payables and accruals of RMB695.5 million, trade payables of RMB128.4 million and interest-bearing bank borrowings of RMB193.8 million.

Trade and bills receivables

Trade and bills receivables mainly consist of the receivables from drug sales and other receivables from providing R&D services. An ageing analysis of the trade receivables as at the end of the Reporting Period, based on the invoice date and net of loss allowance, is as follows:

	As of 31 December	
	2024	2023
	RMB'000	*RMB'000*
Within 3 months	**345,906**	248,942
3 months to 6 months	**5,096**	58,696
Trade and bills receivables	**351,002**	307,638

Our trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally one to three months, and may be extended for certain customers. The Group seeks to maintain strict control over its outstanding receivables to minimize credit risk. Overdue balances are reviewed regularly by senior management. The Group's major customers are state-owned, large-scale drug distributors located in the PRC, with whom the Group has been cooperating since 2021. The Group considers that such practice is in line with the prevailing norms of the bio-pharmaceutical industry in the PRC where primary drug distributors are state-owned enterprises. The Group does not hold any collateral or other credit enhancements over its trade and bills receivable balances. Trade and bills receivables are non-interest-bearing.

Prepayments, other receivables and other assets

Prepayments, other receivables and other assets decreased from RMB114.0 million as of 31 December 2023 to RMB88.1 million as of 31 December 2024, primarily due to (i) RMB44.3 million decrease in interest receivable from RMB62.5 million as of 31 December 2023 to RMB18.2 million as of 31 December 2024; offset by (ii) RMB18.3 million increase in prepayments from RMB39.0 million as of 31 December 2023 to RMB57.3 million as of 31 December 2024.

	As of 31 December	
	2024	2023
	RMB'000	*RMB'000*
Prepayments	**57,291**	39,044
Interest receivable	**18,199**	62,540
Tax recoverable	**10,631**	10,390
Other receivables	**1,963**	2,020
	88,084	113,994

Inventories

Due to appropriate inventory management, the inventories, which mainly include raw materials, work in progress and finished goods, decreased from RMB119.1 million as of 31 December 2023 to RMB95.6 million as of 31 December 2024.

Other financial assets

	As of 31 December	
	2024	2023
	RMB'000	*RMB'000*
Financial assets measured at amortised cost	**762,907**	—
Financial assets at fair value through profit of loss	**759,179**	—
Other financial assets	**1,522,086**	—
Classified as:		
Current assets	**1,062,899**	—
Non-current assets	**459,187**	—
Other financial assets	**1,522,086**	—

Total other financial assets, classified in financial assets measured at amortised cost and financial assets at fair value through profit or loss were wealth management products denominated in RMB and USD, with RMB1,062.9 million in current assets and RMB459.2 million in non-current assets as of 31 December 2024, compared to nil as of 31 December 2023.

Trade Payables

An ageing analysis of the trade payables as at the end of the Reporting Period, based on the invoice date, is as follows:

	As of 31 December	
	2024	2023
	RMB'000	*RMB'000*
Within 1 year	**111,795**	124,207
1 year to 2 years	**13,457**	10,432
2 years to 3 years	**2,990**	199
Over 3 years	**121**	67
	128,363	134,905

Other Payables and Accruals

Other payables and accruals increased from RMB667.7 million as of 31 December 2023 to RMB695.5 million as of 31 December 2024, primarily due to (i) an increase in payroll payable from 53.0 million as of 31 December 2023 to RMB62.6 million as of 31 December 2024; (ii) an increase in individual income tax and other taxes from RMB15.3 million as of 31 December 2023 to RMB31.1 million as of 31 December 2024; and (iii) a decrease in payable for property, plant and equipment from RMB58.2 million as of 31 December 2023 to RMB47.8 million as of 31 December 2024.

	As of 31 December	
	2024	2023
	RMB'000	*RMB'000*
Payable for property, plant and equipment	**47,848**	58,190
Payroll payables	**62,649**	52,999
Individual income tax and other taxes	**31,113**	15,253
Sales rebate	**19,504**	11,853
Accruals	**39,837**	38,336
Other current liability	**476,336**	476,336
Others	**18,225**	14,750
Other Payables and Accruals	**695,512**	667,717

Indebtedness and finance lease

The following table sets forth the breakdown of our indebtedness as of the dates indicated:

	As of 31 December	
	2024	2023
	RMB'000	*RMB'000*
Included in current liabilities		
Interest-bearing bank borrowings	**193,797**	5,000
Lease liabilities	**31,608**	23,233
Other current liability	**476,336**	476,336
Convertible loan	**—**	1,251,131
Included in non-current liabilities		
Interest-bearing bank borrowings	**1,018,700**	26,300
Lease liabilities	**27,440**	43,647
Long term payables	**303,134**	305,577
Total indebtedness	**2,051,015**	2,131,224

Our total indebtedness decreased from RMB2,131.2 million as of 31 December 2023 to RMB2,051.0 million as of 31 December 2024, mainly due to the combined effect of increase in interest-bearing bank borrowings and decrease in convertible loan.

Deferred income

Total deferred income, classified in current liabilities and non-current liabilities, decreased from RMB280.9 million as of 31 December 2023 to RMB263.0 million as of 31 December 2024, mainly due to government grants recognized in profit.

Property, Plant and Equipment

Property, plant and equipment increased from RMB759.8 million as of 31 December 2023 to RMB784.3 million as of 31 December 2024, which is mainly caused by increase of buildings, plant and machinery for Guangzhou and Beijing facilities.

Right-of-use Assets

Right of use assets decreased from RMB293.8 million as of 31 December 2023 to RMB281.8 million as of 31 December 2024, which is mainly caused by the amortization.

Other Intangible Assets

Other intangible assets decreased from RMB39.0 million as of 31 December 2023 to RMB35.9 million as of 31 December 2024 was mainly due to the amortization of the intangible assets.

Investments in Joint Ventures

Investments in joint ventures decreased from RMB5.7 million as of 31 December 2023 to RMB0.4 million as of 31 December 2024 because the share of loss of the joint venture increased.

Other Non-Current Assets

Other non-current assets, which were mainly the prepayments for long term assets, including property, plant and equipment and other intangible assets etc., decreased from RMB52.4 million as of 31 December 2023 to RMB22.6 million as of 31 December 2024.

Key Financial Ratios

The following table sets forth our selected key financial ratio:

	As of 31 December	
	2024	2023
Current ratio	**7.4**	4.2

Current ratio equals current assets divided by current liabilities as of the end of the year. The increase in current ratio was primarily due to the repayment of convertible loan and new long-term borrowings obtained.

LIQUIDITY AND FINANCIAL RESOURCES

We expect our liquidity requirements to be satisfied by a combination of cash generated from operating activities, bank facilities and other borrowing, other funds raised from the capital markets from time to time and the net proceeds from the IPO and the RMB Share Issue. We will continue to evaluate potential financing opportunities based on our need for capital resources and market conditions.

On 23 March 2020, 250,324,000 Shares of US$0.000002 each were issued at a price of HK$8.95 per Share in connection with the Company's Listing on the Hong Kong Stock Exchange. The proceeds of HK$3,883 representing the par value of shares, were credited to the Company's share capital. The remaining proceeds of HK$2,240.4 million (before deduction of the expenses relating to the Company's IPO) were credited to the share premium account. The translation from U.S. dollar to Hong Kong dollar is made at the exchange rate set forth in the H.10 weekly statistical release of the Federal Reserve System of the U.S. as of 23 March 2020.

On 15 April 2020, the international underwriters of the Global Offering exercised the overallotment option in full, pursuant to which the Company is required to allot and issue the option shares, being 37,548,000 Shares, representing approximately 15% of the maximum number of shares initially available under the Global Offering, at the offer price under the Global Offering. The net proceeds from the exercise of the over-allotment option were approximately HK$322.59 million (after deducting the commissions and other offering expenses payable by the Company in relation to the exercise of the over-allotment option).

On 10 February 2021, pursuant to two subscription agreements entered between the Company and certain investors, a total of 210,508,000 Shares of the Company were subscribed at a subscription price of HK$14.45 per subscription share. For further details, please refer to the announcements of the Company dated 3 February 2021 and 10 February 2021, respectively.

On 21 September 2022, 264,648,217 RMB Shares of US$0.000002 each were issued at a price of RMB11.03 per RMB Share and listed on the STAR Market. Net proceeds after deducting underwriting discounts and commission and offering expenses were RMB2,778.82 million. As required by the PRC securities laws, the net proceeds from the RMB Share Issue must be used in strict compliance with the planned uses as disclosed in the PRC prospectus as well as the Company's proceeds management policy for the RMB Share Issue approved by the board of directors.

As of 31 December 2024, our cash and related accounts balances were RMB7,762.9 million, as compared to RMB8,287.1 million as of 31 December 2023. The decrease was mainly due to the operating activities. Our primary uses of cash are to fund research and development efforts of new drug candidates, sales promotion, working capital, other general corporate purposes. Our cash and cash equivalents are held in RMB, USD, AUD and HKD.

Save as disclosed in this announcement, during the Reporting Period and until the date of this announcement, the Company has not made any issue of equity securities for cash.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS

Subscription of Wealth Management Products

During the Reporting Period, the Company has purchased certain wealth management products, none of which, individually or on an aggregate basis, has surpassed 5% with respect to the applicable percentage ratios as calculated under Rule 14.07 of the Listing Rules.

Our wealth management products were mostly purchased in the second half and/or towards the end of the Reporting Period and their performance were reflected as such in our profit and loss accounts.

As of 31 December 2024, the subscriptions were classified in financial assets measured at amortised cost and financial assets at fair value through profit or loss.

The financial assets at fair value through profit or loss generated (i) an investment income of RMB3.3 million; and (ii) a fair value loss of RMB0.9 million measured at fair value through the Company's profit/loss account. As of 31 December 2024, the aggregated outstanding principal amount of financial assets at fair value through profit or loss was RMB760 million.

The financial assets measured at amortised cost generated investment income of RMB15.6 million. As of 31 December 2024, the aggregated outstanding principal amount of financial assets measured at amortised cost was RMB747 million.

As of 31 December 2024, we did not hold any significant investments of the Company.

Other Significant Investments, Material Acquisitions and Disposals

For the Reporting Period, we did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures of the Company. We did not have any future plans for material investments and capital assets as of 31 December 2024.

GEARING RATIO

The gearing ratio (calculated as total debt (includes other current liability, loans and borrowings and convertible loan) divided by total assets and multiplied by 100%) as of 31 December 2024 was 21.2% (31 December 2023: 20.8%).

The Board and the Audit Committee constantly monitor current and expected liquidity requirements to ensure that the Company maintains sufficient reserves of cash to meet its liquidity requirements in the short and long term.

BANK LOANS AND OTHER BORROWINGS

As of 31 December 2024, we had RMB1,212.5 million of interest-bearing bank borrowings, RMB193.8 million of which are due within a year, RMB303.1 million of long term payable with Beijing Changxin Construction Investment Co., Ltd, RMB476.3 million of other current liability with Guangzhou Kaide. To obtain the interest-bearing bank borrowings and long term payable mentioned-above, RMB727.5 million of assets were mortgaged. As of 31 December 2024, the unutilized bank facility is RMB377.2 million.

Save as disclosed above, as of 31 December 2024, we did not have any other material mortgages, charges, debentures, loan capital, debt securities, loans, unutilized banking facilities, bank overdrafts or other similar indebtedness, hire purchase commitments, liabilities under acceptances (other than normal trade bills), acceptance credits, which are either guaranteed, unguaranteed, secured or unsecured, or guarantees.

CONTINGENT LIABILITIES

As of 31 December 2024, we did not have any material contingent liabilities.

FOREIGN EXCHANGE RISK

Our financial statements are presented in RMB, but certain of our cash and cash equivalents, other financial assets, trade and other receivables, trade and other payables are denominated in foreign currencies, and are exposed to foreign currency risk. We currently do not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

LIQUIDITY RISK

In the management of the liquidity risk, the Company monitors and maintains a level of cash and cash equivalents deemed adequate by its management to finance the operations and mitigate the effects of fluctuations in cash flows.

CHARGE ON GROUP ASSETS

Except for the mortgage on assets under the paragraph of "Bank Loans and Other Borrowings", there was no pledge of the Group's assets as of 31 December 2024.

FINAL DIVIDEND

The Board has resolved not to recommend the payment of final dividend for the year ended 31 December 2024.

No dividend was declared and paid by the Group for the year ended 31 December 2024 (2023: Nil).

ANNUAL GENERAL MEETING

The forthcoming AGM of the Company will be held on Friday, 20 June 2025. The notice of the AGM will be published and dispatched in due course in the manner as required by the Listing Rules.

CLOSURE OF THE REGISTER OF MEMBERS

For the purpose of determining the shareholders' eligibility to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 17 June 2025 to Friday, 20 June 2025, both days inclusive, during which no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the AGM, all duly completed share transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 16 June 2025.

CORPORATE GOVERNANCE AND OTHER INFORMATION

The Company was incorporated in the Cayman Islands on 3 November 2015 as an exempted company with limited liability, and the shares of the Company were listed on the Stock Exchange on 23 March 2020. On 21 September 2022, the RMB Shares of the Company were listed on the STAR Market.

CHANGES IN INFORMATION OF DIRECTORS, COMPANY SECRETARY AND CHIEF EXECUTIVES

During the Reporting Period and up to the date of this announcement, the composition of the Directors, company secretary, and Chief Executives of the Company changed as follows:

Mr. Ming Jin	—	resigned as a non-executive Director with effect from 25 September 2024. For details, please refer to the announcement of the Company dated 25 September 2024.
Dr. Kaixian Chen	—	resigned as an independent non-executive Director, a member of the Audit Committee, a member of the Compensation Committee and a member of the Nomination Committee of the Company with effect from 25 September 2024. For details, please refer to the announcement of the Company dated 25 September 2024.
Prof. Kunliang Guan	—	appointed as an independent non-executive Director with effect from 21 January 2025. For details, please refer to the announcement of the Company dated 21 January 2025.

Concurrent with the resignation of Dr. Kaixian Chen as a member of each of the Audit Committee, the Compensation Committee and the Nomination Committee, Dr. Dandan Dong, an independent non-executive Director, has been appointed as a member of each of the Audit Committee, the Compensation Committee and the Nomination Committee.

Save as disclosed in this announcement, there are no changes in the information of Director of the Company which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules during the Reporting Period.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has applied the principles and code provisions as set out in the CG Code. During the Reporting Period, the Board is of the opinion that the Company has complied with all applicable code provisions set out in the CG Code apart from the deviation below.

Pursuant to code provision C.2.1 of the CG Code, the responsibilities between the Chairperson and the Chief Executive should be segregated and should not be performed by the same individual. The roles of the Chairperson and Chief Executive Officer of the Company are held by Dr. Jisong Cui who is a co-founder of the Company. The Board believes that this structure will not impair the balance of power and authority between our Board and the management of the Company, given that: (i) a decision to be made by the Board requires approvals by at least a majority of Directors and that the Board comprises three independent non-executive Directors out of seven Directors, and the Board believes there is sufficient check and balance in the Board; (ii) Dr. Jisong Cui and the other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that they act for the benefits and in the best interests of the Company and will make decisions for the Group accordingly; and (iii) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of the Company. Moreover, the overall strategic and other key business, financial and operational policies of the Group are made collectively after thorough discussion at both the Board and senior management levels. The Board also believes that the combined role of Chairperson and Chief Executive Officer can promote the effective execution of strategic initiatives and facilitate the flow of information between management and the Board. Further, in view of Dr. Jisong Cui's experience, personal profile and her roles in the Company as mentioned above, Dr. Jisong Cui is the Director best suited to identify strategic opportunities and focus of the Board due to her extensive understanding of our business as the Chief Executive Officer. Finally, as Dr. Jisong Cui is the co-founder of the Company, the Board believes that vesting the roles of both Chairperson and Chief Executive Officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for and communication within the Group. The Board will continue to review the effectiveness of the corporate governance structure of the Group in order to assess whether separation of the roles of Chairperson and Chief Executive Officer is necessary.

The Company will continue to regularly review and monitor the corporate governance practices to ensure the compliance with the CG Code and maintain a high standard of the best practices. We aim to implement a high standard of corporate governance, which is crucial to safeguard the interests of the Shareholders.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules.

Specific enquiries have been made of all the Directors and they have confirmed that they have complied with the Model Code during the year ended 31 December 2024 or up to the effective time where they ceased to be Director (as the context may be). The Company's employees, who are likely to be in possession of unpublished inside information of the Company, are subject to the Model Code. No incident of non-compliance of the Model Code by the employees was noted by the Company during the year ended 31 December 2024.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

On 8 September 2023, the Company announced a HK$200 million share repurchase plan (the "**Share Repurchase Plan**") of the Shares listed on the Main Board of the Stock Exchange approved by the Board. During the Reporting Period, the Company repurchased 2,198,000 Shares on-market for cancellation for a total consideration of HK$11,301,210 pursuant to the Share Repurchase Plan. As of 31 December 2024, 548,000 Shares repurchased have been cancelled on 7 February 2024 and 1,650,000 Shares repurchased have been cancelled on 29 August 2024.

At the 2023 AGM, the Shareholders passed an ordinary resolution to grant a general mandate (the "**2024 General Repurchase Mandate**") to the Directors to repurchase shares not exceeding 10% of the total number of Hong Kong Shares and RMB Shares, respectively, in issue of the Company as at 27 June 2024. For details, please refer to the Company's circular dated 27 April 2024. During the Reporting Period, the Company repurchased 560,000 Shares on-market for a total consideration of HK$3,340,550 pursuant to the 2024 General Repurchase Mandate. As of 31 December 2024, 560,000 Shares repurchased were held as treasury shares. Subject to compliance with the Listing Rules, the Company may consider applying such treasury shares for resale, consideration of future acquisitions, or funding existing share schemes of the Company.

The Directors are of the view that repurchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share.

Details of the share repurchases during the Reporting Period are as follows:

Month and year of repurchase	Number and method of repurchased	Price paid per Share		Aggregate consideration
		Highest	Lowest	
January 2024	548,000 on the Stock Exchange	HK$6	HK$5.6	HK$3,162,780
February 2024	1,650,000 on the Stock Exchange	HK$5.13	HK$4.54	HK$8,138,430
December 2024	560,000 on the Stock Exchange	HK$6.12	HK$5.86	HK$3,340,550
Total	**2,758,000 on the Stock Exchange**	**HK$6.12**	**HK$4.54**	**HK$14,641,760**

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Reporting Period. Save as disclosed above, there was no transaction in the Company's securities, or securities of its subsidiaries (in each case, in the nature of (1) convertible securities, warrants or similar rights issued or granted; (2) exercise of any conversion or subscription rights attached to the aforesaid; or (3) redemption, purchase or cancellation of redeemable securities) during the Reporting Period.

No treasury shares (as defined under Chapter 1 of the Listing Rules) of the Company had been sold during the Reporting Period.

SCOPE OF WORK OF THE GROUP'S AUDITORS

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in this announcement have been agreed by the Group's auditors to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 December 2024. The work performed by the Group's auditors in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the Group's auditors on this announcement.

AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference in accordance with the Listing Rules. As at the date of this announcement, the Audit Committee comprises one non-executive Director, namely Mr. Ronggang Xie, and two independent non-executive Directors, namely Ms. Lan Hu and Dr. Dandan Dong. Ms. Lan Hu, being the chairperson of the Audit Committee, holds the appropriate professional qualification as required under Rules 3.10(2) and 3.21 of the Listing Rules.

The Audit Committee has reviewed the audited consolidated financial statements of the Group for the year ended 31 December 2024 and has met with the independent auditors. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control with senior management members of the Company.

OTHER BOARD COMMITTEES

In addition to the Audit Committee, the Company has also established a Nomination Committee and a Compensation Committee.

MATERIAL LITIGATION

The Company was not involved in any material litigation or arbitration during the Reporting Period. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Group as at the end of the Reporting Period.

USE OF NET PROCEEDS

Use of Net Proceeds from the IPO

The Shares were listed on the Main Board of the Stock Exchange on the Listing Date. The Group received net proceeds (after deduction of underwriting commissions and related costs and expenses) from the IPO and the exercise of over-allotment option of approximately HK$2,415.67 million (collectively, the "**Net Proceeds**"). Up to 31 December 2024, HKD1,583.0 million, or 65.5% out of the Net Proceeds have been utilized. The remaining proceeds will be used in the timeframe specified in the below table. The completion time for usage of proceeds is determined based on the Company's actual business needs and future business development.

	Use of proceeds as stated in the Prospectus *(in HK$'000) (approximate)*	**Net proceeds unutilized as of 1 January 2024** *(in HK$'000) (approximate)*	**Actual use of proceeds during the Reporting Period** *(in HK$'000) (approximate)*	**Net proceeds unutilized as of 31 December 2024** *(in HK$'000) (approximate)*	**Expected timeline for usage of proceeds**
50% for ongoing and planned clinical trials, preparation for registration filings and potential commercial launches (including sales and marketing) of Orelabrutinib concurrently in both China and the U.S.*(Note 1)*	1,207,835	261,550	51,576	209,974	The amount is expected to be fully utilized before the second half of 2026
40% for our other clinical stage product candidates*(Note 1)*	966,268	633,197	16,513	616,684	The amount is expected to be fully utilized before the second half of 2026
10% for working capital and general corporate purposes *(Note 1)*	241,567	21,300	15,285	6,015	The amount is expected to be fully utilized before the second half of 2026
Total	**2,415,670**	**916,047**	**83,374**	**832,673**	

Note 1: To the extent that any of such unutilized Net Proceeds are not immediately required for the allocated purpose, or if the Company is unable to put into effect any part of its plans as intended, the Company may temporarily use such funds to invest in wealth management products with terms of maturity not exceeding 12 months so long as it is deemed to be in the best interests of the Company. In such event, the Company will comply with the appropriate disclosure requirements under the Listing Rules. Together with the income to be generated from the investment in wealth management products, the Company will continue to apply the unutilized Net Proceeds in the manner disclosed in the Prospectus. For details, please refer to the Company's announcement dated 11 November 2024.

Use of Net Proceeds from Subscription Agreements in February 2021

On 2 February 2021, the Company and certain investors had entered into two subscription agreements pursuant to which the Company has conditionally agreed to allot and issue and the investors, namely Gaoling Fund L.P., YHG Investment L.P. and Vivo, have conditionally, on a several but not joint basis, agreed to subscribe for an aggregate of 210,508,000 Shares of the Company, representing approximately 16.33% of the then total issued shares of the Company as at the date of the subscription agreements and approximately 14.04% of the total issued shares of the Company as enlarged by the allotment and issue of the subscription shares, at the subscription price of HK$14.45 per subscription share. The aggregate nominal value of the subscription shares under the subscription was US$421.02. The net price of each subscription share based on the net proceeds of approximately HK$3,041.44 million and 210,508,000 subscription shares were estimated to be approximately HK$14.45. The closing price as quoted on the Stock Exchange on 2 February 2021 was HK$15.72 per Share. The gross proceeds and net proceeds from the issued subscription shares were approximately HK$3,041.84 million and HK$3,041.44 million (the "**Subscription Net Proceeds**"), respectively. The above-mentioned subscription was completed on 10 February 2021. Such use of proceeds will be in line with the planned use according to the intentions previously disclosed by the Company and it is expected there will be no significant change or delay.

The table below sets out the planned applications of the Subscription Net Proceeds and actual usage up to 31 December 2024:

Intended use of proceeds	Proceeds from the subscription *(in HK$'000) (approximate)*	Actual use of proceeds from closing of the subscriptions to 31 December 2023 *(in HK$'000) (approximate)*	Net proceeds unutilized as of 1 January 2024 *(in HK$'000) (approximate)*	Actual use of proceeds during the Reporting Period *(in HK$'000) (approximate)*	Net proceeds unutilized as of 31 December 2024 *(in HK$'000) (approximate)*	Expected timeline for usage of proceeds
(i) R&D cost, which includes, expanding and accelerating ongoing and planned clinical trials in domestic and international regions, and expanding and accelerating internal discovery stage programs (including the multiple IND-enabling stage candidates in our pipeline) *(Note 2)*	N/A*(Note 1)*	241,975	N/A*(Note 1)*	4,093	N/A*(Note 1)*	All remaining proceeds are expected to be fully utilized before 2027 in accordance with the intended use of proceeds the respective exact sum of which will depend on the Company's actual business needs with reference to evolving market conditions
(ii) Retain and recruiting domestic and international talents to strengthen the Group's capabilities in discovery, clinical, business development and commercialization functions (including commercial team expansion to ensure successful launches of Orelabrutinib and subsequent products) *(Note 2)*		638,449		40,737		
(iii) Reserve fund for any potential external collaboration and in-licensing opportunities *(Note 2)*		273,193		529		
(iv) To use as working capital and other general corporate purpose *(Note 2)*		722,281		54,716		
Total	**3,041,440**	**1,875,898**	**1,165,542**	**100,075**	**1,065,467**	

Notes:

1. Pursuant to the subscription agreements dated 2 February 2021, there is no allocation on how the proceeds would be applied to each intended use. Accordingly, there were no numerical value applicable to the relevant columns.

2. To the extent that any of such unutilized Subscription Net Proceeds are not immediately required for the allocated purpose, or if the Company is unable to put into effect any part of its plans as intended, the Company may temporarily use such funds to invest in wealth management products with terms of maturity not exceeding 12 months so long as it is deemed to be in the best interests of the Company. In such event, the Company will comply with the appropriate disclosure requirements under the Listing Rules. Together with the income to be generated from the investment in wealth management products, the Company will continue to apply the unutilized Subscription Net Proceeds in the manner disclosed in the Prospectus. For details, please refer to the Company's announcement dated 11 November 2024.

Use of Net Proceeds from RMB Share Issue

On 21 September 2022, the RMB Shares were listed on the STAR Market. The gross proceeds amounted to approximately RMB2,919.07 million. After deducting issuance expenses of RMB140.25 million in accordance with the related requirements, the net proceeds amounted to approximately RMB2,778.82 million. The net proceeds raised from the RMB Share Issue have been used and will be used in accordance with the intended uses disclosed in the Company's RMB Share prospectus dated 16 September 2022, which has been attached to the overseas regulatory announcement of the Company dated 16 September 2022.

As at 31 December 2024, the net proceeds of the RMB Share Issue had been utilised as follows:

	Proceeds from the subscription *(in RMB'000) (approximate)*	**Net proceeds unutilized as of 1 January 2024** *(in RMB'000) (approximate)*	**Actual use of proceeds during the Reporting Period** *(in RMB'000) (approximate)*	**Net proceeds unutilized as of 31 December 2024** *(in RMB'000) (approximate)*	**Expected timeline for usage of proceeds**
New drug research and development ("**R&D**") projects	1,494,220.6	1,242,867.3	157,240.6	1,085,626.7	Expected to be fully utilized by 2027, and subject to, among other things, change of market conditions
Upgrade of drug R&D platform	116,146.6	25,878.1	3,988.0	21,890.1	Expected to be fully utilized by 2027, and subject to, among other things, change of market conditions
Construction of marketing network	273,851.4	159,144.7	46,121.3	113,023.4	Expected to be fully utilized by 2027, and subject to, among other things, change of market conditions
Construction of IT system	60,952.3	32,296.1	3,436.6	28,859.5	Expected to be fully utilized by 2027, and subject to, among other things, change of market conditions
Replenishment of cash flow	833,644.7	364,916.3	263,737.7	101,178.6	Expected to be fully utilized by 2027, and subject to, among other things, change of market conditions
Total	**2,778,815.6**	**1,825,102.5**	**474,524.2**	**1,350,578.3**	

For further details regarding the use of net proceeds from the RMB Share Issue, please refer to the Company's announcement titled "Update in Use of Proceeds of RMB Share Issue" dated 27 March 2025.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2024

	Notes	**2024** ***RMB'000***	2023 *RMB'000*
REVENUE	*4*	**1,009,448**	738,537
Cost of sales		**(138,441)**	(128,435)
Gross profit		**871,007**	610,102
Other income	*4*	**210,828**	244,153
Selling and distribution expenses		**(419,961)**	(366,891)
Research and development expenses		**(814,027)**	(751,176)
Administrative expenses		**(183,860)**	(193,520)
Other expenses		**(46,428)**	(92,674)
Fair value change of a convertible loan		**(29,609)**	(53,963)
Impairment losses on financial assets		**(1,495)**	(268)
Share of losses of a joint ventures		**(5,260)**	(4,900)
Finance costs		**(33,788)**	(35,069)
LOSS BEFORE TAX		**(452,593)**	(644,206)
Income tax expense	*5*	**(263)**	(1,426)
LOSS FOR THE YEAR		**(452,856)**	(645,632)
Attributable to:			
Owners of the parent		**(440,633)**	(631,263)
Non-controlling interests		**(12,223)**	(14,369)
		(452,856)	(645,632)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted	*7*	**(RMB0.26)**	(RMB0.37)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2024

	2024	2023
	RMB'000	*RMB'000*
LOSS FOR THE YEAR	**(452,856)**	(645,632)
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may not be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**60,761**	113,544
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	**60,761**	113,544
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**(392,095)**	(532,088)
Attributable to:		
Owners of the parent	**(379,872)**	(517,719)
Non-controlling interests	**(12,223)**	(14,369)
	(392,095)	(532,088)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Year ended 31 December 2024

	Notes	**31 December 2024** ***RMB'000***	31 December 2023 *RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**784,328**	759,764
Right-of-use assets		**281,758**	293,837
Goodwill		**3,125**	3,125
Other intangible assets		**35,918**	39,007
Investment in a joint venture		**400**	5,660
Other financial assets — non-current		**459,187**	—
Other non-current assets		**22,590**	52,413
Total non-current assets		**1,587,306**	1,153,806
CURRENT ASSETS			
Inventories		**95,577**	119,095
Trade and bills receivables	*8*	**351,002**	307,638
Prepayments, other receivables and other assets		**88,084**	113,994
Other financial assets — current		**1,062,899**	—
Cash and bank balances		**6,222,626**	8,224,596
Total current assets		**7,820,188**	8,765,323
CURRENT LIABILITIES			
Trade payables	*9*	**128,363**	134,905
Other payables and accruals		**695,512**	667,717
Deferred income		**11,724**	12,008
Interest-bearing bank borrowings		**193,797**	5,000
Lease liabilities		**31,608**	23,233
Convertible loan		**—**	1,251,131
Total current liabilities		**1,061,004**	2,093,994
NET CURRENT ASSETS		**6,759,184**	6,671,329
TOTAL ASSETS LESS CURRENT LIABILITIES		**8,346,490**	7,825,135

	Notes	**31 December 2024** ***RMB'000***	31 December 2023 *RMB'000*
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings		**1,018,700**	26,300
Lease liabilities		**27,440**	43,647
Long term payables		**303,134**	305,577
Deferred income		**251,281**	268,906
Total non-current liabilities		**1,600,555**	644,430
Net assets		**6,745,935**	7,180,705
EQUITY			
Equity attributable to owners of the parent			
Share capital		**23**	23
Treasury shares		**(3,097)**	—
Reserves		**6,728,375**	7,147,825
		6,725,301	7,147,848
Non-controlling interests		**20,634**	32,857
Total equity		**6,745,935**	7,180,705

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands on 3 November 2015. The registered office of the Company is located at the offices of Ogier Global (Cayman) Limited, 89 Nexus Way, Camana Bay, Grand Cayman KY1-9009, Cayman Islands.

The Company is an investment holding company. The Company's subsidiaries are principally engaged in the research, development, manufacture and commercialisation of biological products. The Company's ordinary shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") and STAR Market of the Shanghai Stock Exchange on 23 March 2020 and on 21 September 2022, respectively.

Information about the subsidiaries

Particulars of the Company's subsidiaries are as follows:

Name	Place of incorporation/ registration and business	Nominal value of issued ordinary/ registered share capital	Percentage of equity interest attributable to the Company		Principal activities
			Direct	Indirect	
Ocean Prominent Limited	British Virgin Islands	(United States Dollars: "**US$**") US$1	100.00%	—	Investment holding
Sunny Investments Limited	Hong Kong	(Hong Kong Dollars: "**HK$**") HK$1	—	100.00%	Investment holding
InnoCare Pharma Inc.	United States of America ("**USA**")	US$3	—	100.00%	Research and development
InnoCare Pharma Australia Pty Ltd.	Australia	(Australian Dollars: "**AU$**") AU$10	—	100.00%	Research and development
Beijing InnoCare Pharma Tech Co., Ltd. ("**Beijing InnoCare**") (a)	People's Republic of China ("**PRC**")/ Mainland China	US$80,000,000	—	100.00%	Research and development and commercialisation
Nanjing Tianyin Jian Hua Pharma Tech Co., Ltd. ("**Nanjing InnoCare**") (b)	PRC/Mainland China	(Renminbi: "**RMB**") RMB10,000,000	—	100.00%	Research and development
Beijing Tiancheng Pharma Tech Co., Ltd. ("**Beijing Tiancheng**") (b)	PRC/Mainland China	RMB66,474,400	—	93.39%	Research and development
Shanghai Tianjin Pharma Tech Co., Ltd. ("**Shanghai Tianjin**") (b)	PRC/Mainland China	RMB4,000,000	—	100.00%	Research and development
Guangzhou InnoCare Pharma Tech Co., Ltd. ("**Guangzhou InnoCare**") (b)	PRC/Mainland China	RMB1,000,000,000	—	93.00%	Development and manufacture
Beijing Tianshi Pharma Tech Co., Ltd. ("**Beijing Tianshi**") (b)	PRC/Mainland China	RMB2,000,000	—	100.00%	Research and development

(a) Registered as a wholly-foreign-owned enterprise under PRC law.

(b) Registered as limited liability companies under PRC law.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss, bills receivable and convertible loan which have been measured at fair value. These financial statements are presented in RMB and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 December 2024. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the foreign exchange reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised HKFRS Accounting Standards for the first time for the current year's financial statements.

Amendments to HKFRS 16	*Lease Liability in a Sale and Leaseback*
Amendments to HKAS 1	*Classification of Liabilities as Current or Non-current (the "**2020 Amendments**")*
Amendments to HKAS 1	*Non-current Liabilities with Covenants (the "**2022 Amendments**")*
Amendments to HKAS 7 and HKFRS 7	*Supplier Finance Arrangements*

The nature and the impact of the revised HKFRS Accounting Standards are described below:

(a) Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.

(b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

(c) Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the Group's financial statements.

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRS ACCOUNTING STANDARDS

The Group has not applied the following new and revised HKFRS Accounting Standards, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and revised HKFRS Accounting Standards, if applicable, when they become effective.

HKFRS 18	*Presentation and Disclosure in Financial Statements*[3]
HKFRS 19	*Subsidiaries without Public Accountability: Disclosures*[3]
Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[2]
Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature-dependent Electricity*[2]
Amendments to HKFRS 10 and HKAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[4]
Amendments to HKAS 21	*Lack of Exchangeability*[1]
Annual Improvements to HKFRS Accounting Standards — Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7[2]

1 Effective for annual periods beginning on or after 1 January 2025
2 Effective for annual periods beginning on or after 1 January 2026
3 Effective for annual/reporting periods beginning on or after 1 January 2027
4 No mandatory effective date yet determined but available for adoption

Further information about those HKFRS Accounting Standards that are expected to be applicable to the Group is described below.

HKFRS 18 replaces HKAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as HKAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 *Statement of Cash Flows*, HKAS 33 *Earnings per Share* and HKAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other HKFRS Accounting Standards. HKFRS 18 and the consequential amendments to other HKFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's financial statements.

HKFRS 19 allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other HKFRS Accounting Standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined

in HKFRS 10 *Consolidated Financial Statements*, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements available for public use which comply with HKFRS Accounting Standards. Earlier application is permitted. As the Company is a listed company, it is not eligible to elect to apply HKFRS 19. Some of the Company's subsidiaries are considering the application of HKFRS 19 in their specified financial statements.

Amendments to HKFRS 9 and HKFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify the date on which a financial asset or financial liability is derecognised and introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. The amendments shall be applied retrospectively with an adjustment to opening retained profits (or other component of equity) at the initial application date. Prior periods are not required to be restated and can only be restated without the use of hindsight. Earlier application of either all the amendments at the same time or only the amendments related to the classification of financial assets is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKFRS 9 and HKFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. The amendments relating to the own-use exception shall be applied retrospectively. Prior periods are not required to be restated and can only be restated without the use of hindsight. The amendments relating to the hedge accounting shall be applied prospectively to new hedging relationships designated on or after the date of initial application. Earlier application is permitted. The amendments to HKFRS 9 and HKFRS 7 shall be applied at the same time. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKFRS 10 and HKAS 28 address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 was removed by the HKICPA. However, the amendments are available for adoption now.

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. Earlier application is permitted. When applying the amendments, an entity cannot restate comparative information.

Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening balance of retained profits or to the cumulative amount of translation differences accumulated in a separate component of equity, where appropriate, at the date of initial application. The amendments are not expected to have any significant impact on the Group's financial statements.

Annual Improvements to *HKFRS Accounting Standards — Volume 11* set out amendments to HKFRS 1, HKFRS 7 (and the accompanying *Guidance on implementing HKFRS 7*), HKFRS 9, HKFRS 10 and HKAS 7. Details of the amendments that are expected to be applicable to the Group are as follows:

- *HKFRS 7 Financial Instruments: Disclosures*: The amendments have updated certain wording in paragraph B38 of HKFRS 7 and paragraphs IG1, IG14 and IG20B of the *Guidance on implementing HKFRS 7* for the purpose of simplification or achieving consistency with other paragraphs in the standard and/or with the concepts and terminology used in other standards. In addition, the amendments clarify that the *Guidance on implementing HKFRS 7* does not necessarily illustrate all the requirements in the referenced paragraphs of HKFRS 7 nor does it create additional requirements. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- HKFRS 9 *Financial Instruments*: The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with HKFRS 9, the lessee is required to apply paragraph 3.3.3 of HKFRS 9 and recognise any resulting gain or loss in profit or loss. In addition, the amendments have updated certain wording in paragraph 5.1.3 of HKFRS 9 and Appendix A of HKFRS 9 to remove potential confusion. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- HKFRS 10 *Consolidated Financial Statements*: The amendments clarify that the relationship described in paragraph B74 of HKFRS 10 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor, which removes the inconsistency with the requirement in paragraph B73 of HKFRS 10. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- HKAS 7 *Statement of Cash Flows*: The amendments replace the term "cost method" with "at cost" in paragraph 37 of HKAS 7 following the prior deletion of the definition of "cost method". Earlier application is permitted. The amendments are not expected to have any impact on the Group's financial statements.

3. OPERATING SEGMENT INFORMATION

The Group is engaged in biopharmaceutical research and development, manufacture, commercialisation and services, which are regarded as a single reportable segment in a manner consistent with the way in which information is reported internally to the Group's senior management for purposes of resource allocation and performance assessment. Therefore, no analysis by operating segment is presented.

Geographical information

(a) Revenue from external customers

	2024	2023
	RMB'000	*RMB'000*
Mainland China	**1,005,209**	673,134
Other countries/regions	**4,239**	65,403
Total revenue	**1,009,448**	738,537

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	2024	2023
	RMB'000	*RMB'000*
Mainland China	**1,117,909**	1,153,392
Other countries/regions	**1,791**	414
Total non-current assets	**1,119,700**	1,153,806

The non-current asset information above is based on the locations of the assets and excludes deferred tax assets and financial instruments.

Information about major customers

Revenue from each of the major customers (aggregated if under common control) which accounted for 10% or more of the Group's revenue during the year is set out below:

	2024	2023
	RMB'000	*RMB'000*
Customer A	**421,998**	249,438
Customer B	**134,820**	111,890
Customer C	*****	93,421
	556,818	454,749

* During the year ended 31 December 2024, the revenue from Customer C accounted for less than 10% of the Group's revenue.

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2024	2023
	RMB'000	*RMB'000*
Revenue from contracts with customers	**1,009,448**	738,537

Revenue from contracts with customers

(a) Disaggregated revenue information

	2024	2023
	RMB'000	*RMB'000*
Types of goods or services		
Sales of goods	**1,005,621**	671,582
Research and development services	**2,023**	59,758
Licence out	**—**	5,645
Other services	**1,804**	1,552
Total	**1,009,448**	738,537
Geographical markets		
Mainland China	**1,005,209**	673,134
Other countries/regions	**4,239**	65,403
Total	**1,009,448**	738,537
Timing of revenue recognition		
Goods and service transferred at a point in time	**1,007,425**	678,779
Services transferred over time	**2,023**	59,758
Total	**1,009,448**	738,537

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

	2024	2023
	RMB'000	*RMB'000*
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Research and development services	**—**	17,783

(b) Performance obligations

Information about the Group's performance obligations is summarised below:

Licence out

The performance obligation is satisfied at a point in time upon completion of transfer of know-how, and payment is based on the first upfront payment and subsequent development and commercialisation milestones.

Research and development services

The performance obligation is satisfied over time as the research and development services are provided to the customer, and payment is generally due within 30 days from the date of billing.

Sales of goods

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 30 to 90 days from the date of billing.

Other services

The performance obligation is satisfied upon delivery of the testing service reports and payment is generally due within 30 days from delivery.

	2024	2023
	RMB'000	*RMB'000*
Other income		
Government grants *(Note)*	**21,057**	38,212
Bank interest income	**171,589**	192,333
Investment income of investments from wealth management products	**12,376**	10,472
Others	**5,806**	3,136
Total other income	**210,828**	244,153

Note: Government grants have been received from the PRC local government authorities to support the subsidiaries' research and development activities and compensate capital expenditures.

5. 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 operate.

Cayman Islands

Under the current laws of the Cayman Islands, the Company is not subject to tax on income or capital gains. In addition, upon payments of dividends by the Company to its shareholders, no Cayman Islands withholding tax is imposed.

British Virgin Islands

Under the current laws of the British Virgin Islands ("**BVI**"), Ocean Prominent Limited is not subject to tax on income or capital gains. In addition, upon payments of dividends by Ocean Prominent Limited to its shareholder, no BVI withholding tax is imposed.

Hong Kong

The subsidiary incorporated in Hong Kong is subject to income tax at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits arising in Hong Kong during the year which is a qualifying entity under the two-tiered profits tax rates regime. The first HK$2,000,000 (2023: HK$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2023: 8.25%) and the remaining assessable profits are taxed at 16.5% (2023: 16.5%).

Mainland China

Pursuant to the Corporate Income Tax Law of the PRC and the respective regulations (the "**CIT Law**"), the subsidiaries which operate in Mainland China are subject to CIT at a rate of 25% on the taxable income. Preferential tax treatment of 15% is available to entities recognised as High and New Technology Enterprises. Beijing InnoCare, Nanjing InnoCare and Guangzhou InnoCare were recognised as High and New Technology Enterprises and were entitled to a preferential tax rate of 15% in 2024 (2023: Beijing InnoCare, 15%; Nanjing InnoCare, 15%; Guangzhou InnoCare, 15%).

Beijing Tianshi is qualified as small and micro enterprise and was entitled to preferential corporate income tax rates of 5% during the years ended 31 December 2024 and 2023.

United States of America

The subsidiary incorporated in United States is subject to statutory United States federal corporate income tax at a rate of 21% (2023: 21%). It is also subject to the state income tax in relevant states to fulfil compliance requirements.

	2024	2023
	RMB'000	*RMB'000*
Current — United States of America	**263**	62
Current — Hong Kong	**—**	1,364
Total	**263**	1,426

A reconciliation of the tax expense applicable to loss before tax using the statutory rate for the jurisdictions in which the Company and its subsidiaries are domiciled and operate to the tax expense at the effective tax rates, is as follows:

	2024	2023
	RMB'000	*RMB'000*
Loss before tax	**(452,593)**	(644,206)
Tax at the statutory tax rate of 25%	**(113,148)**	(161,052)
Effect of tax rate differences in other jurisdictions	**(7,285)**	16,747
Preferential tax rates applicable to certain subsidiaries	**35,055**	34,600
Adjustments in respect of current tax on foreign subsidiary of previous periods	**121**	62
Additional deductible allowance for qualified research and development costs	**(110,846)**	(111,915)
Tax losses not recognised	**180,501**	204,349
Expenses not deductible for tax	**15,076**	16,536
Losses attributable to joint ventures	**789**	735
Withholding tax from licence revenue	**—**	1,364
Tax charge at the Group's effective rate	**263**	1,426

6. DIVIDEND

No dividends have been declared and paid by the Company for the year ended 31 December 2024 (2023: Nil).

7. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amount attributable to ordinary equity holders of the parent is based on the following data:

	Year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Loss		
Loss for the year attributable to ordinary equity holders of the parent, used in the basic loss per share calculation	**(440,633)**	(631,263)

	2024 Number of shares *'000*	2023 Number of shares *'000*
Shares		
Weighted average number of ordinary shares outstanding during the year used in the basic loss per share calculation	**1,690,850**	1,687,470

The calculation of basic loss per share for the years ended 31 December 2024 and 2023 excluded the unvested restricted stock units of the Company.

As the Group incurred losses, no adjustment has been made to the basic loss per share amounts presented for the years ended 31 December 2024 and 2023 in respect of a dilution as the impact of the conversion of the exercise of restricted stock units, had an anti-dilutive effect on the basic loss per share amounts presented. Accordingly, the dilutive loss per share amounts for the years ended 31 December 2024 and 2023 are the same as the basic loss per share amounts.

8. TRADE AND BILLS RECEIVABLES

	2024 *RMB'000*	2023 *RMB'000*
Trade receivables	**352,898**	276,778
Bills receivable	**—**	31,261
Impairment	**(1,896)**	(401)
Net carrying amount	**351,002**	307,638

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally one to three months, and expanding up for some customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group's major customers are state-owned large-scale drug distributors located in the PRC with whom the Group has been cooperating since 2021. The Group considers that such practice is in line with the unique norm of the bio-pharmaceutical industry in the PRC where primary drug distributors are state-owned enterprises. The Group does not hold any collateral or other credit enhancements over its trade and bills receivable balances. Trade and bills receivables are non-interest-bearing.

An ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	2024	2023
	RMB'000	*RMB'000*
Within 3 months	**345,906**	248,942
3 months to 6 months	**5,096**	58,696
Total	**351,002**	307,638

The movements in the loss allowance for impairment of trade and bills receivables are as follows:

	2024	2023
	RMB'000	*RMB'000*
At beginning of year	**401**	132
Impairment losses	**1,495**	268
Foreign exchange differences	**—**	1
At end of year	**1,896**	401

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision is based on exposure at default, probability of default and loss given default. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 December 2024

	Gross carrying Amount	**Expected loss rate**	**Expected credit loss**
	RMB'000		***RMB'000***
Trade receivables aged in less than 1 year	**352,898**	**0.54%**	**1,896**

As at 31 December 2023

	Gross carrying Amount	Expected loss rate	Expected credit loss
	RMB'000		*RMB'000*
Trade receivables aged in less than 1 year	276,778	0.14%	401

9. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2024	2023
	RMB'000	*RMB'000*
Within 1 year	**111,795**	124,207
1 year to 2 years	**13,457**	10,432
2 years to 3 years	**2,990**	199
Over 3 years	**121**	67
Total	**128,363**	134,905

The trade payables are non-interest-bearing.

10. EVENTS AFTER THE REPORTING PERIOD

Save as disclosed elsewhere in the consolidated financial statements, the Group has the following events taken place subsequent to 31 December 2024:

From 22 January 2025 to 24 January 2025, the Company repurchased an aggregate of 1,126,000 shares on The Hong Kong Stock Exchange at the highest and lowest prices of HK$5.82 and HK$5.57 per share, respectively. The aggregate purchase price paid for the share repurchase was approximately HK$6.42 million.

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.innocarepharma.com. The annual report of the Group for the year ended 31 December 2024 containing all relevant information required under the Listing Rules will be published on the aforesaid websites of the Stock Exchange and the Company, and will be dispatched to the Company's shareholders (if requested) on or before 30 April 2025.

GLOSSARY AND DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings. These terms and their definitions may not correspond to any industry standard definition, and may not be directly comparable to similarly titled terms adopted by other companies operating in the same industries as the Company.

"AD"	atopic dermatitis
"ADC"	antibody-drug conjugate
"AGM"	annual general meeting of the Company
"ALL"	acute lymphoblastic leukemia
"AML"	acute myeloid leukemia
"AQP4 IgG"	aquaporin 4 antibody
"ASH"	American Society of Hematology
"AUD"	Australian dollars, the lawful currency of Australia
"Audit Committee"	the audit committee of the Board
"B-cell"	a type of white blood cell that differs from other lymphocytes like T-cells by the presence of the BCR on the B-cell's outer surface. Also known as B-lymphocytes
"BioDuro"	BioDuro Inc. and its affiliates, including BioDuro Shanghai and BioDuro Beijing Co. Ltd. (保諾科技(北京)有限公司) or any one of them

"Biogen"	Biogen Inc. (Nasdaq: BIIB)
"Board"	the board of directors of our Company
"BTD"	breakthrough therapy designation
"BTK"	Bruton's tyrosine kinase, a human enzyme encoded by the BTK Gene
"CD20"	B-lymphocyte antigen CD20, a B-cell specific cell surface molecule that is encoded by the MS4Al gene
"CDC"	complement-dependent cytotoxicity
"CDE"	Center for Drug Evaluation, an institution under the NMPA
"CEO" or "Chief Executive Officer"	the chief executive officer of the Company
"CG Code"	the Corporate Governance Code set out in Appendix C1 of the Listing Rules
"Chairperson"	Chairperson of the Board
"China" or "PRC"	the People's Republic of China, which for the purpose of this announcement and for geographical reference only, excludes Hong Kong, Macau and Taiwan
"cholangiocarcinoma"	bile duct cancer, a type of cancer that forms in the bile ducts
"CLL"	chronic lymphocytic leukemia
"CNSL"	central nervous system lymphoma
"Company", "our Company", "the Company" or "InnoCare"	InnoCare Pharma Limited (Stock code: 9969), an exempted company with limited liability incorporated under the laws of the Cayman Islands on 3 November 2015, the shares of which are listed on the Main Board of the Hong Kong Stock Exchange on 23 March 2020
"Compensation Committee"	the compensation committee of the Board
"CSU"	chronic spontaneous urticaria

"DAR"	drug-to-antibody ratio
"Director(s)"	the director(s) of the Company
"DLBCL"	diffuse large B-cell lymphoma, a common type of non-Hodgkin lymphoma that starts in lymphocytes
"DLT"	dose-limiting toxicity, side effects of a drug or other treatment that are serious enough to prevent an increase in dose or level of that treatment
"EULAR"	the European Alliance of Associations for Rheumatology
"FGFR"	fibroblast growth factor receptor, membrane-spanning proteins that are a subgroup of the family of tyrosine kinase receptors
"FL"	follicular lymphoma
"Global Offering"	the Hong Kong public offering and the international offering of the Shares
"GMP"	good manufacturing practice
"Group", "our Group", "the Group", "we", "us" or "our"	the Company and its subsidiaries from time to time
"Guangzhou Kaide"	Guangzhou Kaide Technology Development Co., Ltd., which was renamed as Guangzhou Development Zone Financial Holding Group Co., Ltd since September 2019
"HK$" or "HKD"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"Hong Kong Stock Exchange" or "Stock Exchange" or "HKEx"	The Stock Exchange of Hong Kong Limited
"IBD"	inflammatory bowel disease
"ICP-022" or "Orelabrutinib"	one of the Company's clinical stage drug candidates

"iDMC"	Independent Data Monitoring Committee
"IL-2"	interleukin-2
"IL-5"	interleukin-5
"IL-12"	interleukin-12
"IL-23"	interleukin-23
"IND"	investigational new drug or investigational new drug application, also known as clinical trial application in China or clinical trial notification in Australia
"IPO"	the initial public offering of the Company on the Hong Kong Stock Exchange
"IRC"	Independent Review Board/Committee
"ITK"	inducible T cell Kinase
"ITP"	Immune Thrombocytopenia
"iwNHL"	International Working Group Criteria for Non-Hodgkin Lymphoma
"JAK"	janus tyrosine kinase
"Listing"	the listing of the Shares on the Main Board of the Hong Kong Stock Exchange
"Listing Date"	23 March 2020, being the date on which the Shares of the Company were listed on the Hong Kong Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"MCL"	mantle cell lymphoma, a type of B-cell non-Hodgkin lymphoma
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules

"MS"	multiple sclerosis
"MZL"	marginal zone lymphoma
"NDA"	new drug application
"NMOSD"	neuromyelitis optic a spectrum disorder, also known as demyelinating autoimmune disease, is a chronic disorder of the brain and spinal cord dominated by inflammation of the optic nerve (optic neuritis) and inflammation of the spinal cord (myelitis)
"NMPA"	National Medical Products Administration (國家藥品監督管理局) and its predecessor, the China Food and Drug Administration (國家食品藥品監督管理局)
"Nomination Committee"	the nomination committee of the Board
"NRDL"	National reimbursement drug list
"NTRK"	neurotrophic tyrosine receptor kinase
"pan-FGFR inhibitor"	pan-inhibitor of fibroblast growth factor receptor (FGFR) family
"pan-TRK inhibitor"	pan-inhibitor of tropomyosin-related kinase family
"pharmacodynamics" or "PD"	the study of how a drug affects an organism, which, together with pharmacokinetics, influences dosing, benefit, and adverse effects of the drug
"pharmacokinetics" or "PK"	the study of the bodily absorption, distribution, metabolism, and excretion of drugs, which, together with pharmacodynamics, influences dosing, benefit, and adverse effects of the drug
"PN"	prurigo nodularis
"PPMS"	Primary Progressive Multiple Sclerosis
"Prospectus"	the prospectus of the Company, dated 11 March 2020, in relation of its Global Offering

"R&D"	research and development
"R/R" or "r/r"	relapsed and refractory
"R-CHOP"	a combination of five drugs as first-line treatment for aggressive non-Hodgkin lymphoma
"RICE"	a combination of four drugs as a treatment for non-Hodgkin lymphoma or Hodgkin lymphoma that has come back after treatment.
"RMB"	Renminbi, the lawful currency of the PRC
"RMB Share Issue"	the Company's initial issue of no more than 264,648,217 RMB Shares which have been listed on the STAR Market since 21 September 2022
"RMB Shares"	the ordinary Shares to be subscribed for in RMB by target subscribers in the PRC, to be listed on the STAR Market and traded in RMB
"SC"	subcutaneous
"Share(s)"	ordinary shares in the share capital of our Company with a nominal value of US$0.000002 each
"Shareholder(s)"	holder(s) of Share(s)
"SHP2"	non-receptor protein tyrosine phosphatase involved in mediating RAS signaling pathway and immune checkpoint pathway as well for regulation of cellular proliferation and survival
"SLE"	systemic lupus erythematosus
"SLL"	small lymphocytic lymphoma
"SPMS"	Secondary Progressive Multiple Sclerosis
"SRI"	the SLE Responder Index
"STAR Market"	the Science and Technology Innovation Board of the Shanghai Stock Exchange

"T-cell"	a type of lymphocyte produced or processed by the thymus gland and actively participating in the immune response. T-cells can be distinguished from other lymphocytes, such as B-cells and NK cells, by the presence of a T-cell receptor on the cell surface
"TDCC"	T-cell-dependent cellular cytotoxicity
"TRK"	a family of tyrosine kinases that regulates synaptic strength and plasticity in the mammalian nervous system
"TYK2"	tyrosine kinase 2
"UC" or "urothelial cancer"	urothelial cell carcinoma, a type of cancer that typically occurs in the urinary system and begins in urothelial cells
"United States" or "U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"U.S. FDA" or "FDA"	U.S. Food and Drug Administration
"US$" or "USD"	United States dollars, the lawful currency of the United States
"Vivo"	Vivo Opportunity Fund, L.P, a company of Vivo Capital VIII, LLC
"WM"	Waldenstrom's macroglobulinemia

APPRECIATION

The Board would like to express its sincere gratitude to the shareholders, management team, employees, business partners and customers of the Group for their support and contribution to the Group.

By order of the Board
InnoCare Pharma Limited
Dr. Jisong Cui
Chairperson and Executive Director

Hong Kong, 27 March 2025

As at the date of this announcement, the Board of Directors comprises Dr. Jisong Cui as Chairperson and executive Director, Dr. Renbin Zhao as executive Director, Dr. Yigong Shi and Mr. Ronggang Xie, as non-executive Directors, and Ms. Lan Hu, Dr. Dandan Dong and Prof. Kunliang Guan as independent non-executive Directors.