LAEKNA

Laekna, Inc.
來凱醫藥有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 2105

2026
INTERIM REPORT

CONTENTS

DEFINITIONS

In this interim report, unless the context otherwise requires, the following expressions shall have the following respective meanings:

"2024 Share Award Scheme"	the share award scheme adopted by our Company on June 14, 2024, as amended from time to time
"Administrator"	the administrator of the Pre-IPO Share Option Scheme, the Post-IPO Share Option Scheme or the 2024 Share Award Scheme, where the context so requires
"AE"	adverse events, any untoward medical occurrences in a patient or clinical investigation subject administered a drug or other pharmaceutical product during clinical trials and which do not necessarily have a causal relationship with the treatment
"Afuresertib" or "afuresertib"	an adenosine triphosphate competitive AKT inhibitor
"aHSC"	activated hepatic stellate cells
"AKT"	a serine/threonine protein kinase with 3 isoforms (AKT1, AKT2 and AKT3) that participate in multiple pathways regulating several cellular processes, including survival, proliferation, tissue invasion, and metabolism
"Audit Committee"	the audit committee of the Board
"Board"	the board of directors of our Company
"CDE"	the center for drug evaluation of China's National Medical Products Administration
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"Chief Executive Officer"	the chief executive officer of our Company
"China" or "PRC"	the People's Republic of China, but for the purpose of this report and for geographical reference only and except where the context requires otherwise, references in this report to "China" and the "PRC" do not apply to Hong Kong Special Administrative Region of the People's Republic of China, Macau Special Administrative Region of the People's Republic of China and Taiwan, China
"CMC"	chemistry, manufacture and control
"Company" or "Our Company"	Laekna, Inc. (來凱醫藥有限公司), an exempted company incorporated in the Cayman Islands with limited liability on July 29, 2016
"date of this report"	September 18, 2026
"Director(s)" or "our Director(s)"	the directors of the Company
"ESOP Trusts"	Laekna Halley Trust and Laekna Wonderland Trust, being the trusts set up by the Company to facilitate the administration of the Pre-IPO Share Option Scheme

DEFINITIONS

"Family Trust"	Ealex LLC, a trust set up by Dr. Lu as settlor, The Bryn Mawr Trust Company of Delaware as trustee and Dr. Lu's certain family members as the beneficiaries
"FDA"	the United States Food and Drug Administration
"Frost & Sullivan"	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., an independent market research and consulting company that provides market survey and consulting services
"Global Offering"	the Hong Kong Public Offering and the International Offering
"Group", "our Group", "we", "us" or "our"	our Company and its subsidiaries
"HK$" or "HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the People's Republic of China
"HR+/HER2-breast cancer"	the most common type of breast cancer with overexpression of HR and without overexpression of HER2
"IND"	investigational new drug, the application for which is the first step in the drug review process by regulatory authorities to decide whether to permit clinical trials; also known as clinical trial application, or CTA, in China
"Laekna HK"	Laekna Limited, a limited liability company incorporated in Hong Kong on August 26, 2016 and one of our Company's subsidiaries
"Laekna Ningbo"	Laekna Pharmaceutical Ningbo Co., Ltd. (來凱製藥(寧波)有限公司), a limited liability company established under the laws of the PRC on June 29, 2023 and one of our Company's subsidiaries
"Laekna Therapeutics"	Laekna Therapeutics Shanghai Co., Ltd. (來凱醫藥科技(上海)有限公司), a limited liability company established under the laws of the PRC on December 28, 2016 and one of our Company's subsidiaries
"Listing"	the listing of the Shares on the Main Board of the Stock Exchange
"Listing Date"	June 29, 2023
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
"mCRPC"	metastatic castration resistant prostate cancer
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules, as amended or supplemented from time to time

DEFINITIONS

"MRCT"	multi-regional clinical trials
"NDA"	new drug application
"NMPA"	the 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總局)
"Nomination and Corporate Governance Committee"	the nomination and corporate governance committee of the Board
"Novartis"	Novartis Pharma AG, a company organized under the laws of Switzerland
"Paclitaxel"	a chemotherapy medication used to treat a number of types of cancer, includes ovarian cancer, esophageal cancer, breast cancer, lung cancer, Kaposi's sarcoma, cervical cancer, and pancreatic cancer
"PCC"	pre-clinical candidate
"PD-1"	programmed cell death protein 1
"PD-L1"	programmed cell death ligand 1
"PFS"	progression-free survival, the length of time during and after the treatment of a disease, such as cancer, that a patient lives without the disease getting worse. In a clinical trial, measuring the progression-free survival is one way to see how well a new treatment works
"Post-IPO Share Option Scheme"	the share option scheme adopted by our Company on June 9, 2023, as amended from time to time
"Post-IPO Share Schemes"	the 2024 Share Award Scheme and the Post-IPO Share Option Scheme
"Pre-IPO Share Option Scheme"	the share option scheme adopted by our Company on April 11, 2018 and amended on October 30, 2019, April 20, 2021 and March 31, 2022, as amended from time to time
"PROC"	platinum resistant ovarian cancer
"Prospectus"	the prospectus of the Company dated June 16, 2023
"Remuneration Committee"	the remuneration committee of the Board
"Reporting Period"	the six months ended June 30, 2026
"RMB"	Renminbi, the lawful currency of China
"rPFS"	radiographic progression free survival

DEFINITIONS

"RP2D"	recommended Phase II dose
"SAE"	serious AE, any medical occurrence in human drug trials that at any dose: results in death; is life-threatening; requires inpatient hospitalization or causes prolongation of existing hospitalization; results in persistent or significant disability/incapacity; may have caused a congenital anomaly/birth defect, or requires intervention to prevent permanent impairment or damage
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) in the share capital of our Company with a par value of US$0.00001 each
"Shareholder(s)"	holder(s) of Shares
"Share Option(s)"	the share option(s) granted or to be granted pursuant to the terms and conditions of the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme
"SOC"	treatment that is accepted by medical experts as a proper treatment for a certain type of disease and that is widely used by healthcare professionals
"South Korea"	the Republic of Korea
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"TEAE"	adverse events not present prior to medical treatment, or an already present event that worsens either in intensity or frequency following the treatment
"TNBC"	triple-negative breast cancer, any breast cancer that tests negative for estrogen receptors, progesterone receptors, and excess HER2
"treasury shares"	has the meaning as defined under the Listing Rules
"United States", "USA" or "U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"US$" or "USD"	United States dollars, the lawful currency of the United States
"%"	per cent

CORPORATE INFORMATION

COMPANY NAME

Laekna, Inc. (來凱醫藥有限公司)

DIRECTORS

Executive Directors

Dr. LU Chris Xiangyang
(Chairman and Chief Executive Officer)
Ms. XIE Ling (謝玲)
Dr. GU Xiang-Ju Justin

Non-executive Directors

Dr. WANG David Guowei
Mr. SUN Yuan (孫淵)

Independent Non-executive Directors

Dr. YIN Xudong
Dr. LI Min
Mr. ZHOU Jian (周健)

AUDIT COMMITTEE

Mr. ZHOU Jian (周健) *(Chairperson)*
Dr. WANG David Guowei
Dr. LI Min

REMUNERATION COMMITTEE

Dr. YIN Xudong *(Chairperson)*
Ms. XIE Ling (謝玲)
Mr. ZHOU Jian (周健)

NOMINATION AND CORPORATE GOVERNANCE COMMITTEE

Dr. LU Chris Xiangyang *(Chairperson)*
Ms. XIE Ling (謝玲)
Dr. YIN Xudong
Dr. LI Min
Mr. ZHOU Jian (周健)

COMPANY SECRETARY

Mr. KE Chenyu (柯晨煜)

AUTHORIZED REPRESENTATIVES

Ms. XIE Ling (謝玲)
Mr. KE Chenyu (柯晨煜)

AUDITOR

KPMG
Certified Public Accountants
Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

LEGAL ADVISER

As to Hong Kong law:
Davis Polk & Wardwell
10th Floor
The Hong Kong Club Building
3A Chater Road
Hong Kong

REGISTERED OFFICE

4th Floor
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103 South Church Street
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Grand Cayman
KY1-1002
Cayman Islands

CORPORATE INFORMATION

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

3-2-467, 5 Xingbin Road (Lin Li Center)
Sino-Italy Ningbo Ecological Park
Yuyao
Zhejiang Province
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

46/F, Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

PRINCIPAL SHARE REGISTRAR

Harneys Fiduciary (Cayman) Limited
4th Floor, Harbour Place
103 South Church Street
P.O. Box 10240
Grand Cayman KY1-1002
Cayman Islands

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wan Chai, Hong Kong

PRINCIPAL BANKS

Bank of Ningbo Shanghai Zhangjiang Branch
No. 350 Chunxiao Road
Pudong New District
Shanghai
PRC

China Merchants Bank Shanghai Zhangjiang Branch
1/F, Building 1
German Center
No. 88 Keyuan Road
Pudong New District
Shanghai
PRC

Agricultural Bank of China Ningbo Branch
No. 518 Zhongshan East Road
Ningbo
PRC

Industrial and Commercial Bank of China (Asia) Limited
33/F ICBC Tower
3 Garden Road
Central, Hong Kong

STOCK CODE

2105

COMPANY WEBSITE

www.laekna.com

BUSINESS HIGHLIGHTS

During the six months ended June 30, 2026 (the "**Reporting Period**"), the Company achieved significant progress across its drug candidate pipeline and business operations. Key milestones and accomplishments include:

ADVANCING THE CLINICAL TRIALS

LAE102 in Obesity, Phase I

LAE102 is our internally discovered monoclonal antibody against ActRIIA. Blocking Activin-ActRII pathway could promote muscle regeneration and reduce fat mass, positioning LAE102 as a promising drug candidate for muscle-preserving weight control.

In March 2026, the Group announced successful completion, in collaboration with Eli Lilly and Company, of the Phase I single ascending dose study (the "**U.S. SAD Study**") of LAE102 in the U.S. The U.S. SAD Study was a randomized, double-blind, placebo-controlled study designed to evaluate the safety, tolerability, pharmacokinetics and pharmacodynamics of LAE102 administered via both subcutaneous and intravenous in healthy postmenopausal women. The U.S. SAD Study demonstrated a well-tolerated safety profile and showed encouraging trends in body composition improvements following administration of a single dose. Dose-dependent effects on lean body mass increase and fat mass reduction were observed. On Day 29 following a single dose of LAE102, the group with the highest exposure exhibited a 5.06% increase in mean lean body mass from baseline (placebo group had 1.34% reduction from baseline) and a 0.12% decrease in mean fat mass from baseline (placebo group had 2.11% increase from baseline). Single doses of LAE102 resulted in significant and sustained increases in activin A levels, indicating robust target engagement. The duration of target engagement correlated with the dose level.

Such positive results were consistent with efficacy and safety profile of LAE102 demonstrated in the Phase I MAD Study (the "**MAD Study**"). The MAD Study was a randomized, double-blind, placebo-controlled study to evaluate the safety, tolerability, pharmacokinetics and pharmacodynamics of LAE102, administered subcutaneously, in overweight/obese subjects. The results demonstrated an encouraging trend towards lean body mass increase and fat mass reduction. At week 5, the LAE102 6 mg/kg group exhibited a 1.7% increase in mean lean body mass and a 2.2% reduction in mean fat mass compared to the baseline. Adjusted from the placebo control group, the mean lean body mass increased by 4.6%, whereas the mean fat mass reduced by 3.6%. The MAD Study demonstrated a well-tolerated safety profile, with no serious adverse events reported. There was no diarrhea, muscle spasm or acne reported. LAE102 serum concentration reached steady state after 5 weekly subcutaneous injections and PK profile was consistent with its SAD Study. The robust PK/PD correlation further demonstrates the potential efficacy of LAE102 in overweight and obese population. These positive clinical results added to a growing body of data supporting LAE102 as a therapeutic approach to obesity.

Following the positive one-month results observed in the early MAD study, a pre-planned Phase I multiple dose expansion study (the "**Multiple Dose Expansion Study**") was initiated to further evaluate the efficacy and safety profile of LAE102 over a longer treatment duration. The Phase I Multiple Dose Expansion Study is a randomized, double-blind, placebo-controlled study to evaluate the safety, tolerability, pharmacokinetics and pharmacodynamics of LAE102, administered subcutaneously, in overweight/obese subjects. Subjects were enrolled and randomized into LAE102 or placebo for a 6-month treatment. The preliminary clinical data of this Phase I Multiple Dose Expansion Study are expected to be ready in the second half of 2026.

In the specific field of targeting the ActRII receptor, Laekna team has accumulated extensive experience and possesses a deep scientific foundation, in addition to LAE102, more drug candidates to maximize its value. LAE103 is an ActRIIB-selective antibody and LAE123 is an ActRIIA/IIB dual antagonistic monoclonal antibody. Both are our internally discovered antibodies for muscle and other disease indications. The results of the pre-clinical study of LAE102, LAE103 (an ActRIIB selective antibody) and LAE123 (an ActRIIA/IIB dual antagonistic monoclonal antibody) as therapeutics for muscle growth and fat reduction were presented at the 85th scientific sessions of ADA.

BUSINESS HIGHLIGHTS

The Group has commenced the Phase I single ascending dose study (the "**LAE103 SAD Study**") of LAE103, in Australia and dosed the first subject in December 2025. The LAE103 SAD Study was a randomized, double-blind, placebo-controlled study to evaluate the safety, tolerability, pharmacokinetics and pharmacodynamics of LAE103, administered subcutaneously, in healthy overweight or obese participants. The preliminary topline data of this SAD study is expected to be ready in the third quarter of 2026. Following the R&D of LAE102, the initiation of clinical study for LAE103 demonstrates our deep pipeline portfolio targeting ActRII pathway for metabolic diseases.

LAE123 is advancing through IND-enabling studies, targeting IND submission in the second half of 2026. The Group has established a comprehensive ActRII portfolio and is in discussions with potential partners for strategic cooperations to accelerate development and commercialization of our ActRII portfolio.

LAE002 (afuresertib) + Fulvestrant in HR+/HER2- breast cancer, Phase III

In February 2026, an article titled "Afuresertib plus fulvestrant for pretreated HR- positive, HER2-negative, advanced breast cancer: a phase Ib trial" was published in Nature Communications, a leading international scientific journal. The article primarily reported the results of this Phase Ib clinical trial, which evaluated afuresertib in combination with fulvestrant for the treatment of pretreated HR-positive/HER2-negative advanced breast cancer. The findings indicated that this combination regimen demonstrates promising anti-tumor activity and a favorable safety profile in this patient population.

In April 2026, the Group announced that the Phase III clinical trial AFFIRM-205 for LAE002 (afuresertib, an oral AKT inhibitor) plus fulvestrant in patients with *PIK3CA/AKT1/PTEN* alterations and HR+/HER2-locally advanced or metastatic breast cancer ("**LA/mBC**") (the "**Phase III Clinical Trial AFFIRM-205**") was successfully completed and achieved strong positive topline results. This pivotal study successfully met its primary endpoint of progression-free survival ("**PFS**"), achieving a highly statistically significant and clinically meaningful improvement versus control. LAE002 (afuresertib) also demonstrated a favorable safety and tolerability profile.

The detailed study results will be presented at an upcoming international scientific conference. Based on the positive results from the phase III pivotal study, the new drug application ("**NDA**") for LAE002 (afuresertib) has been accepted by the Center for Drug Evaluation ("**CDE**") of China's National Medical Products Administration ("**NMPA**") in August 2026.

The Group and Qilu Pharmaceutical Company Limited ("**Qilu Pharma**") have entered into an exclusive licensing agreement (the "**QiLu License Agreement**") for the China region in November 2025. Under the QiLu License Agreement, the Group is eligible to receive up to RMB2,045 million in total in upfront and milestone payments and is also entitled to receive tiered royalties on future net sales of LAE002 (afuresertib) in Chinese Mainland, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan, at percentages ranging from the low teens to the low twenties. The Group leverages this opportunity to accelerate the regulatory approval and commercialization of LAE002 (afuresertib) in the China region and maximize its commercial value. The Group plans to pursue strategic partnerships in ex-China regions to accelerate development and commercialization of LAE002 (afuresertib) in international markets. Collectively, alterations in *PIK3CA, AKT1 and PTEN* affect approximately 50% of patients with breast cancer.

BUSINESS HIGHLIGHTS

LAE002 (afuresertib) + LAE001 (lapiteronel)/prednisone in mCRPC, Phase II

The Phase II multi-region clinical trial of LAE002 (afuresertib, an AKT inhibitor) plus LAE001 (lapiteronel, a CYP17A1/CYP11B2 dual inhibitor) ("**LAE201**") in 40 patients with metastatic castration-resistant prostate cancer ("**mCRPC**") following standard of care ("**SOC**") treatment has been completed. The trial was an open-label, dose-escalation and dose expansion study to assess the efficacy and safety of the combination candidate. The study demonstrated promising treatment benefit for mCRPC patients. The median rPFS was 8.1 months. This represents a significant improvement over the median rPFS of 2 to 4 months of mCRPC patients under the standard treatments historically. The combination therapy was generally well tolerated with manageable treatment emergent adverse events and recoverable after routine treatments.

The protocol of the Phase III pivotal trial of LAE201 in patients with mCRPC following SOC treatment has been approved by the U.S. Food and Drug Administration (the "**FDA**"). We plan to pursue strategic partnerships to accelerate the global development and commercialization of LAE002 (afuresertib) and LAE001 (lapiteronel) to address the great unmet medical need of the cancer therapeutic area.

Capivasertib (Truqap) of AstraZeneca was the world's first approved AKT inhibitor, which was approved by the U.S. FDA for HR+/HER2-breast cancer in November 2023. In June 2026, the U.S. FDA further approved capivasertib (Truqap) in combination with abiraterone and prednisone for the treatment of PTEN-deficient metastatic hormone-sensitive prostate cancer (mHSPC). This approval significantly broadens the therapeutic scope of AKT inhibition and highlights its potential to address unmet needs across multiple tumor types.

LAE118 in PIK3CA mutant advanced solid tumors, Phase I

LAE118 is an internally discovered novel PI3Kα pan-mutant selective inhibitor. During the Reporting Period, the Group has obtained Investigational New Drug approval (the "**IND**") from the U.S. FDA and the China CDE for LAE118 and is actively advancing this drug candidate to clinical studies as novel therapies for PIK3CA mutant advanced solid tumors.

In June 2026, the Group and Vasque Bio, Inc. ("**Vasque Bio**") have entered into an exclusive licensing agreement (the "**License Agreement**"). Vasque Bio is a U.S.-based, clinical-stage biotechnology company dedicated to the development of therapeutics to transform the standard of care for people living with serious, life-altering rare diseases and is supported by a renowned consortium of top-tier life science investors, including The Column Group ("**TCG**") and F-Prime.

Subject to terms and conditions of the License Agreement, Vasque Bio was granted, among other rights, an exclusive, worldwide license (excluding Chinese Mainland, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan) (the "**Licensed Territory**") to develop, manufacture, commercialize and otherwise exploit LAE118. In return, the Group is entitled to receive a non-refundable and non-creditable upfront cash payment of USD10 million and the right to acquire, for no additional consideration, up to high teen percentage of Vasque Bio's outstanding common stock or cash payments in lieu of such common stock. Under the License Agreement, the Group is also eligible to receive development and sales milestone payments up to USD517 million in total, as well as tiered royalty payments ranging from single-digit to double-digit percentages on future net sales of LAE118 in the Licensed Territory. In the event of a qualifying strategic partnering or acquisition transaction meeting certain conditions pertaining to the use of LAE118 entered by Vasque Bio, the Group shall be entitled to receive additional payments of up to 50% of such strategic transaction value.

Vasque Bio focuses primarily on the development of therapeutics for rare diseases, while the Group focuses on developing LAE118 for oncology outside the Licensed Territory. The Group can leverage this opportunity to accelerate the global development and commercialization of LAE118 in the Licensed Territory into a broader range of indications and expedite its downstream value creation (e.g. licensing, partnership, or M&A exit).

BUSINESS HIGHLIGHTS

PRE-CLINICAL CANDIDATES (PCC)

LAE123 (an ActRIIA/IIB dual antagonistic monoclonal antibody) is advancing through IND-enabling studies, targeting IND submission in the second half of 2026.

The Group also plans to commence IND-enabling study for LAE124, a small molecule dual amylin and calcitonin receptor agonist (DACRA) in the second half of 2026.

Expected Upcoming Milestones in Second Half of 2026

About LAE102

- Read out the preliminary topline results from the Phase I MAD Expansion Study in China.
- Initiate a Phase II clinical study in combination with a GLP-1 receptor agonist.

About AFFIRM-205

- Submit NDA to CDE.

About LAE118

- Initiate a Phase I clinical study in PIK3CA mutant advanced solid tumors.

About Other Metabolic Disease Drug Candidates

- Read out the preliminary topline results from Phase I SAD Study of LAE103.
- IND submission for LAE123.
- Commence IND-enabling study for LAE124, a small molecule dual amylin and calcitonin receptor agonist (DACRA).

FINANCIAL HIGHLIGHTS

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue	**150,277**	–
Gross profit	**129,415**	–
Research and development expenses	**97,000**	105,192
Loss for the period	**2,549**	129,637

Our revenue amounted to RMB150.3 million for the six months ended June 30, 2026, which derived from the out-licensing transaction of LAE118 with Vasque Bio and the out-licensing transaction of LAE002 (afuresertib) with Qilu Pharma.

Our research and development expenses decreased by RMB8.2 million or 7.8% from RMB105.2 million for the six months ended June 30, 2025 to RMB97.0 million for the six months ended June 30, 2026. Such decrease was primarily attributable to decreased discovery research expenses, as certain pre-clinical drug candidates that were in IND-enabling studies during the six months ended June 30, 2025 already obtained IND approvals and advanced to clinical stage during the six months ended June 30, 2026.

The Group recorded a significant decrease in the loss for the period, mainly attributable to the revenue recognized under the exclusive license agreements.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

We are a science-driven, clinical-stage biotechnology company committed to bringing novel therapeutics to patients with metabolic diseases, cancer and liver fibrosis around the world. We have assembled a seasoned management team with extensive experience and expertise covering the full cycle of drug discovery and development process, from pre-clinical asset discovery, clinical trial design and execution to regulatory process management and drug manufacturing. As of June 30, 2026, we were supported by a talented R&D team consisting of 58 employees, with 11 holding doctorate degrees and 28 holding master's degrees. Our core management team has established a long track record of accomplishment, leadership and deep knowledge in their respective fields.

We focus on specific fields where we have accumulated tremendous experience and extensive know-how. As of June 30, 2026, we have initiated clinical trials for six drug candidates, including LAE102, LAE103, LAE002 (afuresertib), LAE001 (lapiteronel), LAE118 and LAE005 to address unmet medical needs in obesity and cancers.

Globally, the number of people living with obesity is set to reach over 1.13 billion by 2030[1]. The causes of obesity are complex and, so often, it puts people on a path to other diseases — not only diabetes, but also heart and liver diseases, cancers and many more. There are growing understandings of the critical need to treat obesity among both the medical community and the public, while an increasing number of people living with such disease are actively seeking support.

In the field of cancer, we have observed notable progress in treatment over the past decade. However, a significant proportion of cancer patients still find themselves in the absence of effective or safe treatments. The quality of life of those patients is severely affected, primarily attributable to SOC treatment resistance and/or intolerable toxicity, resulting in a large unmet medical need and a socioeconomic burden. Among those cancers of unmet medical need, HR+/HER2-metastatic breast cancer (HR+/HER2-mBC), mCRPC and triple negative breast cancer (TNBC) are some of the diseases with limited SOC options and unsatisfactory treatment outcomes.

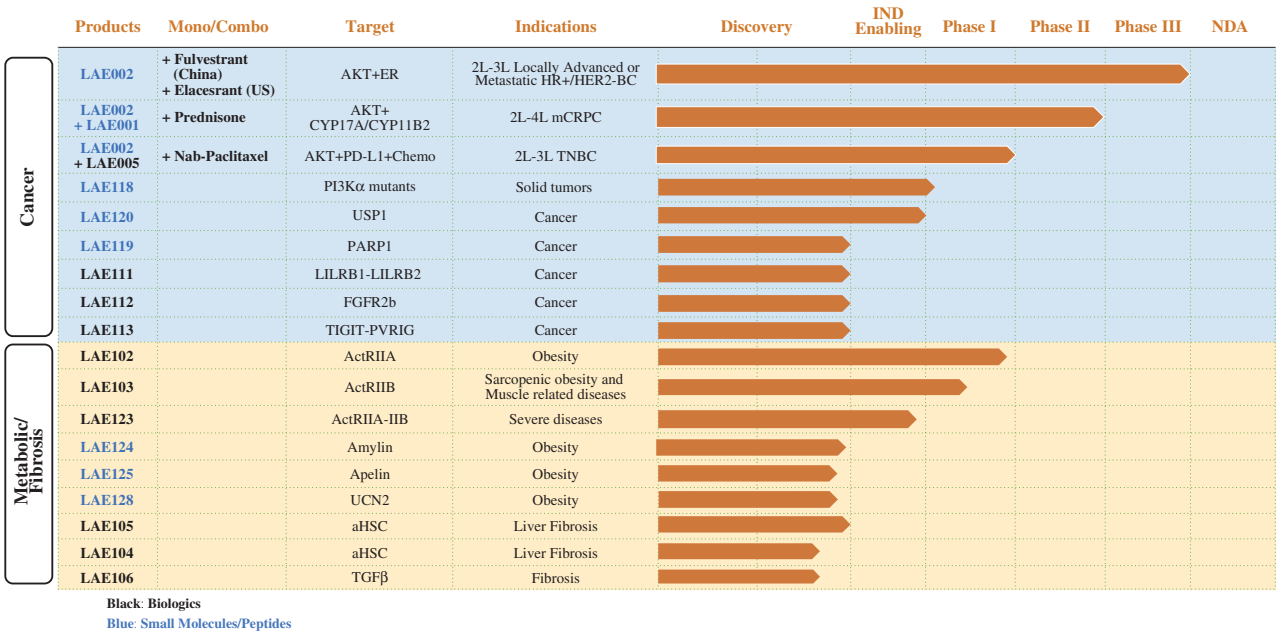
We are committed to advancing and expanding our product portfolio in therapeutic areas where we have accumulated deep expertise and extensive know-how and to delivering life-changing therapies to address unmet medical needs.

[1] World Obesity Atlas, 2026

MANAGEMENT DISCUSSION AND ANALYSIS

PIPELINE

The following chart summarizes the development status of our clinical and pre-clinical stage drug candidates as of the date of this report:



BUSINESS REVIEW

During the Reporting Period, the Company achieved significant progress across its drug candidate pipeline and business operations, including the following milestones and achievements.

LAE102 in Obesity, Phase I

LAE102 is our internally discovered monoclonal antibody against ActRIIA. Blocking Activin-ActRII pathway could promote muscle regeneration and reduce fat mass, positioning LAE102 as a promising drug candidate for muscle-preserving weight control.

In March 2026, the Group announced successful completion, in collaboration with Eli Lilly and Company, of the U.S. SAD Study of LAE102. The U.S. SAD Study was a randomized, double-blind, placebo-controlled study designed to evaluate the safety, tolerability, pharmacokinetics and pharmacodynamics of LAE102 administered via both subcutaneous and intravenous routes in healthy postmenopausal women. The U.S. SAD Study demonstrated a well-tolerated safety profile and showed encouraging trends in body composition improvements following administration of a single dose. Dose-dependent effects on lean body mass increase and fat mass reduction were observed. On Day 29 following a single dose of LAE102, the group with the highest exposure exhibited a 5.06% increase in mean lean body mass from baseline (placebo group had 1.34% reduction from baseline) and a 0.12% decrease in mean fat mass from baseline (placebo group had 2.11% increase from baseline). Single doses of LAE102 resulted in significant and sustained increases in activin A levels, indicating robust target engagement. The duration of target engagement correlated with the dose level.

MANAGEMENT DISCUSSION AND ANALYSIS

Such positive results were consistent with efficacy and safety profile of LAE102 demonstrated in the Phase I MAD Study. The MAD Study was a randomized, double-blind, placebo-controlled study to evaluate the safety, tolerability, pharmacokinetics and pharmacodynamics of LAE102, administered subcutaneously, in overweight/obese subjects. The results demonstrated an encouraging trend towards lean body mass increase and fat mass reduction. At week 5, the LAE102 6 mg/kg group exhibited a 1.7% increase in mean lean body mass and a 2.2% reduction in mean fat mass compared to the baseline. Adjusted from the placebo control group, the mean lean body mass increased by 4.6%, whereas the mean fat mass reduced by 3.6%. The MAD Study demonstrated a well-tolerated safety profile, with no serious adverse events reported. There was no diarrhea, muscle spasm or acne reported. LAE102 serum concentration reached steady state after 5 weekly subcutaneous injections and PK profile was consistent with its SAD Study. The robust PK/PD correlation further demonstrates the potential efficacy of LAE102 in overweight and obese population. These positive clinical results added to a growing body of data supporting LAE102 as a therapeutic approach to obesity.

Following the positive one-month results observed in the early MAD study, a pre- planned Phase I Multiple Dose Expansion Study was initiated to further evaluate the efficacy and safety profile of LAE102 over a longer treatment duration. The Phase I Multiple Dose Expansion Study is a randomized, double-blind, placebo-controlled study to evaluate the safety, tolerability, pharmacokinetics and pharmacodynamics of LAE102, administered subcutaneously, in overweight/obese subjects. Subjects were enrolled and randomized into LAE102 or placebo for a 6-month treatment. The preliminary clinical data of this Phase I Multiple Dose Expansion Study are expected to be ready in the second half of 2026.

In the specific field of targeting the ActRII receptor, Laekna team has accumulated extensive experience and possesses a deep scientific foundation, in addition to LAE102, more drug candidates to maximize the value of targeting ActRII receptors. LAE103 is an ActRIIB-selective antibody and LAE123 is an ActRIIA/IIB dual antagonistic monoclonal antibody. Both are our internally discovered antibodies for muscle and other disease indications. The results of the pre-clinical study of LAE102, LAE103 (an ActRIIB selective antibody) and LAE123 (an ActRIIA/IIB dual antagonistic monoclonal antibody) as therapeutics for muscle growth and fat reduction were presented at the 85th scientific sessions of ADA.

The Group has commenced the Phase I single ascending dose study of LAE103, in Australia and dosed the first subject in December 2025. The LAE103 SAD Study was a randomized, double-blind, placebo-controlled study to evaluate the safety, tolerability, pharmacokinetics and pharmacodynamics of LAE103, administered subcutaneously, in healthy overweight or obese participants. The preliminary topline data of this SAD study is expected to be ready in the third quarter of 2026. Following the R&D of LAE102, the initiation of clinical study for LAE103 demonstrates our deep pipeline portfolio targeting ActRII pathway for metabolic diseases.

LAE123 is advancing through IND-enabling studies, targeting IND submission in the second half of 2026. The Group has established a comprehensive ActRII portfolio and is in discussions with potential partners for strategic cooperations to accelerate development and commercialization of our ActRII portfolio.

LAE002 (afuresertib)

Afuresertib is an adenosine triphosphate (ATP) competitive AKT inhibitor. We in-licensed Afuresertib from Novartis in 2018. Prior to our in-licensing, 11 clinical trials had been conducted to demonstrate the safety and efficacy profiles of Afuresertib by Novartis and GSK.

MANAGEMENT DISCUSSION AND ANALYSIS

LAE002 (afuresertib) + Fulvestrant in HR+/HER2-breast cancer, Phase III

In February 2026, an article titled "Afuresertib plus fulvestrant for pretreated HR- positive, HER2-negative, advanced breast cancer: a phase Ib trial" was published in Nature Communications, a leading international scientific journal. The article primarily reported the results of this Phase Ib clinical trial, which evaluated afuresertib in combination with fulvestrant for the treatment of pretreated HR-positive/HER2-negative advanced breast cancer. The findings indicated that this combination regimen demonstrates promising anti-tumor activity and a favorable safety profile in this patient population.

In April 2026, the Group announced that the Phase III clinical trial AFFIRM-205 for LAE002 (afuresertib, an oral AKT inhibitor) plus fulvestrant in patients with *PIK3CA/AKT1/PTEN* alterations and HR+/HER2-LA/mBC was successfully completed and achieved strong positive topline results. This pivotal study successfully met its primary endpoint of progression-free survival, achieving a highly statistically significant and clinically meaningful improvement versus control. LAE002 (afuresertib) also demonstrated a favorable safety and tolerability profile.

The detailed study results will be presented at an upcoming international scientific conference. Based on the positive results from the phase III pivotal study, the new drug application for LAE002 (afuresertib) has been accepted by the Center for Drug Evaluation of China's National Medical Products Administration in August 2026.

The Group and Qilu Pharma have entered into an exclusive licensing agreement for the China region in November 2025. Under the Qilu License Agreement, the Group is eligible to receive up to RMB2,045 million in total in upfront and milestone payments and is also entitled to receive tiered royalties on future net sales of LAE002 (afuresertib) in Chinese Mainland, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan, at percentages ranging from the low teens to the low twenties. The Group leverages this opportunity to accelerate the regulatory approval and commercialization of LAE002 (afuresertib) in the China region and maximize its commercial value. The Group plans to pursue strategic partnerships in ex-China regions to accelerate development and commercialization of LAE002 (afuresertib) in international markets. Collectively, alterations in *PIK3CA, AKT1 and PTEN* affect approximately 50% of patients with breast cancer.

LAE002 (afuresertib) + LAE001 (lapiteronel)/prednisone in mCRPC, Phase II

The Phase II multi-region clinical trial of LAE002 (afuresertib) plus LAE001 (lapiteronel, a CYP17A1/CYP11B2 dual inhibitor) in 40 patients with metastatic castration-resistant prostate cancer following standard of care treatment has been completed. The trial was an open-label, dose-escalation and dose expansion study to assess the efficacy and safety of the combination candidate. The study demonstrated promising treatment benefit for mCRPC patients. The median rPFS was 8.1 months. This represents a significant improvement over the median rPFS of 2 to 4 months of mCRPC patients under the standard treatments historically. The combination therapy was generally well tolerated with manageable treatment emergent adverse events and recoverable after routine treatments.

The protocol of the Phase III pivotal trial of LAE201 in patients with mCRPC following SOC treatment has been approved by the U.S. FDA. We plan to pursue strategic partnerships to accelerate the global development and commercialization of LAE002 (afuresertib) and LAE001 (lapiteronel) to address the great unmet medical need of the cancer therapeutic area.

Capivasertib (Truqap) of AstraZeneca was the world's first approved AKT inhibitor, which was approved by the U.S. FDA for HR+/HER2-breast cancer in November 2023. In June 2026, the U.S. FDA further approved capivasertib (Truqap) in combination with abiraterone and prednisone for the treatment of PTEN-deficient metastatic hormone-sensitive prostate cancer (mHSPC). This approval significantly broadens the therapeutic scope of AKT inhibition and highlights its potential to address unmet needs across multiple tumor types.

Subject to the research and development progress of LAE002, it is expected that LAE002 will reach commercialization within next two years.

MANAGEMENT DISCUSSION AND ANALYSIS

LAE001 (lapiteronel)

LAE001 (lapiteronel) is an androgen synthesis inhibitor that inhibits both CYP17A1 and CYP11B2. We in-licensed LAE001 (lapiteronel) from Novartis in 2017. According to Frost & Sullivan, LAE001 (lapiteronel) is the only dual CYP17A1/CYP11B2 inhibitor in clinical trials for the treatment of prostate cancer globally. As a dual CYP17A1/CYP11B2 inhibitor, LAE001 (lapiteronel) can block both androgen and aldosterone synthesis and potentially be administered without prednisone, the short-term high dose or long-term exposure of which can lead to a variety of adverse events.

We completed a Phase I clinical trial of LAE001 (lapiteronel) as monotherapy and a Phase II clinical trial of LAE001 (lapiteronel) plus LAE002 (afuresertib) in patients with mCRPC to assess the safety and efficacy of the therapies. The protocol of the Phase III pivotal trial of LAE201 in patients with mCRPC following SOC treatment has been approved by the U.S. FDA. We plan to pursue strategic partnerships to accelerate the development and commercialization of LAE001 (lapiteronel) to address the unmet medical need for cancer therapies.

Subject to the research and development progress of LAE001, it is expected that LAE001 will reach commercialization within next six years.

LAE118 in PIK3CA mutant advanced solid tumors, Phase I

LAE118 is an internally discovered novel PI3Kα pan-mutant selective inhibitor. During the Reporting Period, the Group has obtained IND approval from the U.S. FDA and the China CDE for LAE118 and is actively advancing this drug candidate to clinical studies as novel therapies for PIK3CA mutant advanced solid tumors.

In June 2026, the Group and Vasque Bio have entered into an exclusive licensing agreement. Vasque Bio is a U.S.-based, clinical-stage biotechnology company dedicated to the development of therapeutics to transform the standard of care for people living with serious, life-altering rare diseases and is supported by a renowned consortium of top-tier life science investors, including TCG and F-Prime.

Subject to terms and conditions of the License Agreement, Vasque Bio was granted, among other rights, an exclusive license in the Licensed Territory to develop, manufacture, commercialize and otherwise exploit LAE118. In return, the Group is entitled to receive a non-refundable and non-creditable upfront cash payment of USD10 million and the right to acquire, for no additional consideration, up to high teen percentage of Vasque Bio's outstanding common stock or cash payments in lieu of such common stock. Under the License Agreement, the Group is also eligible to receive development and sales milestone payments up to USD517 million in total, as well as tiered royalty payments ranging from single-digit to double-digit percentages on future net sales of LAE118 in the Licensed Territory. In the event of a qualifying strategic partnering or acquisition transaction meeting certain conditions pertaining to the use of LAE118 entered by Vasque Bio, the Group shall be entitled to receive additional payments of up to 50% of such strategic transaction value.

Vasque Bio focuses primarily on the development of therapeutics for rare diseases, while the Group focuses on developing LAE118 for oncology outside the Licensed Territory. The Group can leverage this opportunity to accelerate the global development and commercialization of LAE118 in the Licensed Territory into a broader range of indications and expedite its downstream value creation (e.g. licensing, partnership, or M&A exit).

MANAGEMENT DISCUSSION AND ANALYSIS

LAE005

LAE005 is a high-affinity, ligand-blocking, humanized anti-PD-L1 IgG4 antibody. In pre-clinical and clinical studies, LAE005 demonstrated its strong binding avidity to PD- L1 and compelling anti-tumor activities. Specifically, we are evaluating the therapeutic potential of the combination therapy of LAE002 (afuresertib) and LAE005 in patients with triple-negative breast cancer (the "**TNBC**"). We believe LAE005 has the potential to serve as an effective therapy for TNBC, particularly when combined with other synergistic mechanisms.

Our Phase I clinical trial of LAE002 (afuresertib) in combination with LAE005 (anti-PD-L1 mAb) plus nab-paclitaxel for the treatment of TNBC was successfully completed. A total of 22 subjects with advanced solid tumors were enrolled and dosed in this Phase I study, among which there were 14 TNBC subjects who completed at least 2 cycles of treatment and had at least 1 tumor assessment. The median value of previous treatment lines of these 14 subjects was 1.5 (0-3). Among them, five showed confirmed partial response (ORR 35.7%), four had stable disease (28.6%), resulting in a disease control rate (DCR) of 64.3% in the best response assessment. The median duration of response (DOR) was 9.26 months. Five TNBC subjects were treated for more than 32 weeks, with one subject reaching a duration of 73 weeks. This case study has been selected for the "Chinese Clinical Case Achievement Database" (with the PFS of this case being 16 months as of September 28, 2023). We plan to pursue strategic partnerships to accelerate the development and commercialization of LAE005, addressing the significant unmet medical need in cancer therapies.

CAUTIONARY STATEMENT: WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP OR MARKET THE RELEVANT PRODUCTS, OR ANY OF OUR PIPELINE PRODUCTS, SUCCESSFULLY.

FINANCIAL REVIEW

The following discussion is based on, and should be read in conjunction with, the financial information and notes included elsewhere in this report.

Revenue

Our revenue amounted to RMB150.3 million for the six months ended June 30, 2026, which derived from the out-licensing transaction of LAE118 with Vasque Bio and the out-licensing transaction of LAE002 (afuresertib) with Qilu Pharma.

Cost of sales

Our cost of sales amounted to RMB20.9 million for the six months ended June 30, 2026, mainly consisted of clinical development expenses related to Phase III Clinical Trial AFFIRM-205.

Other Income

Our other income increased by RMB6.1 million or 30.7% from RMB19.9 million for the six months ended June 30, 2025 to RMB26.0 million for the six months ended June 30, 2026, which was primarily attributable to the increase in interest income from bank deposits.

Administrative Expenses

Our administrative expenses increased by RMB16.3 million or 38.5% from RMB42.3 million for the six months ended June 30, 2025 to RMB58.6 million for the six months ended June 30, 2026. Such increase was primarily attributable to the increase in equity settled share-based payment expenses.

MANAGEMENT DISCUSSION AND ANALYSIS

Research and Development Expenses

Our research and development expenses decreased by RMB8.2 million or 7.8% from RMB105.2 million for the six months ended June 30, 2025 to RMB97.0 million for the six months ended June 30, 2026. Such decrease was primarily attributable to decreased discovery research expenses, as certain pre-clinical drug candidates that were in IND-enabling studies during the six months ended June 30, 2025 already obtained IND approvals and advanced to clinical stage during the six months ended June 30, 2026.

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Staff costs	**46,146**	41,806
Discovery research expenses	**16,706**	30,392
Clinical development expenses	**29,630**	28,052
Others	**4,518**	4,942
Total	**97,000**	105,192

Liquidity and Financial Resource

As of June 30, 2026, the current assets of the Group were RMB1,214.3 million, including cash and bank balances of RMB941.8 million, time deposits with an original maturity over three months of RMB180.7 million, pledged deposits of RMB68.2 million and other current assets of RMB23.6 million. Among them, the Group's cash and bank balances decreased by RMB301.4 million or 24.2% to RMB941.8 million as of June 30, 2026 from RMB1,243.2 million as of December 31, 2025. The Group's time deposits increased to RMB180.7 million as of June 30, 2026 from RMB19.2 million as of December 31, 2025. The Group's pledged deposits increased to RMB68.2 million as of June 30, 2026 from nil as of December 31, 2025. As of June 30, 2026, the current liabilities of the Group were RMB201.6 million, including other payables of RMB42.3 million, interest-bearing bank loans of RMB153.1 million, contract liabilities of RMB4.2 million and current lease liabilities of RMB2.0 million.

Our cash and bank balances and time deposits balances as of June 30, 2026 were RMB1,122.5 million, of which RMB34.2 million, RMB1,087.2 million and RMB1.1 million were denominated in RMB, USD, and HKD, respectively representing a decrease of 11.1% as compared to the cash and bank balances of RMB1,262.4 million as of December 31, 2025. The decrease was primarily attributable to the net cash used in operating activities.

Funding and Treasury Policy

The Group adopts a prudent funding and treasury policy, aiming to maintain an optimal financial position and minimal financial risks. We have formulated internal control measures to control our process of investment in wealth management products. Prior to making an investment, we ensure that there remains sufficient working capital for our operations, R&D activities and capital expenditures. For the six months ended June 30, 2026, we funded our operations primarily through equity financing, upfront payments from our out-licensing transactions and bank loans. With the continuing expansion of our business and development of new drug candidates, we will use the net proceeds raised from the Global Offering and the placing in November 2024 and September 2025 and may require further funding through public or private equity offerings, debt financing and other sources.

Bank Loans

Our bank loans as of June 30, 2026 were RMB153.1 million (December 31, 2025: RMB117.4 million), all of which were denominated in RMB and carried fixed nominal interest rates ranging from 0.95% to 3.85% per annum.

MANAGEMENT DISCUSSION AND ANALYSIS

Current ratio

Current ratio (calculated by current assets divided by current liabilities) of the Group as of June 30, 2026, was 6.02 (December 31, 2025: 5.54).

Gearing ratio

Gearing ratio is calculated by using interest-bearing borrowings and lease liabilities less cash and cash equivalents, divided by total equity and multiplied by 100%. As of June 30, 2026, the Group was in a net cash position and thus, gearing ratio is not applicable.

Foreign Currency Risk

We have transactional currency exposures. Certain of our cash and bank balances, time deposits, prepayments, other receivables and other payables are denominated in non-functional currencies and 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.

Contingent Liabilities

As of June 30, 2026, we did not have any material contingent liabilities.

Significant Investments Held

As of June 30, 2026, the Group did not hold any significant investments. Save as disclosed in this report, as of June 30, 2026, the Group did not have future plans for material investments and capital assets.

Pledge of Assets

As of June 30, 2026, deposits of RMB4.1 million were pledged to secure issuance of a bank letter of guarantee and deposits of RMB68.2 million were pledged to secure certain short-term bank loans and bank facilities granted to a subsidiary of the Company.

Employees and Remuneration Policies

As of June 30, 2026, the Group had 83 employees. The total employee benefit expenses for the six months ended June 30, 2026, including share-based payment expenses, were RMB101.7 million, as compared to RMB77.1 million for the six months ended June 30, 2025.

Our employees' remuneration comprises salaries, bonuses, provident funds, social security contributions and other welfare payments. We have made contributions to our employees' social security insurance funds (including pension plans, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance) and housing funds pursuant to applicable laws and regulations.

We adopted the Post-IPO Share Option Scheme on June 9, 2023, which was immediately prior to Listing. We further adopted the 2024 Share Award Scheme on June 14, 2024. Each of the schemes constitutes a share scheme governed by Chapter 17 of the Listing Rules.

Material Acquisitions and Disposals

During the Reporting Period, the Group did not have any material acquisition or disposal of its subsidiaries, associates and joint ventures.

MANAGEMENT DISCUSSION AND ANALYSIS

Use of Net Proceeds from the Global Offering

On June 29, 2023, 63,728,000 Shares of US$0.00001 each were issued at a price of HK$12.41 per Share in connection with the Company's listing on the Main Board of the Stock Exchange. The net proceeds of HK$724.4 million from the Global Offering were utilised during the Reporting Period, and the unutilized net proceeds are intended to be used, in accordance with the intended use of proceeds as previously set out in the Prospectus.

The below table sets out the proposed and actual applications of the net proceeds from the Listing Date to June 30, 2026.

Intended use of Net Proceeds	Net Proceeds from the Global Offering *(HK$ million)*	Approximate % of total Net Proceeds	Unutilized Net Proceeds from the Global Offering as of January 1, 2026 *(HK$ million)*	Utilized Net Proceeds from the Global Offering during the six months ended June 30, 2026 *(HK$ million)*	Utilized Net Proceeds from the Global Offering as of June 30, 2026 *(HK$ million)*	Unutilized Net Proceeds from the Global Offering as of June 30, 2026 *(HK$ million)*	Expected timeline of full utilization of the unutilized Net Proceeds[1]
For rapidly advancing the clinical development and approval of our Core Products, i.e. LAE001 (lapiteronel) and LAE002 (afuresertib)	407.8	56.3%	93.3	36.3	350.8	57.0	Before December 31, 2026
For accelerating the research and development of other existing pipeline products and continuously advancing and improving our pipeline products	150.7	20.8%	–	–	150.7	–	
For improving our production capabilities and developing our manufacturing capacities	71.7	9.9%	66.8	–	4.9	66.8	Before December 31, 2027
For business development activities and enhancing our global reach	55.1	7.6%	19.3	6.7	42.5	12.6	Before December 31, 2026
For working capital and other general corporate purposes	39.1	5.4%	–	–	39.1	–	

Note:

(1) The expected timeline is based on the best estimation made by the Group on future market condition and may change with the future market condition and future development.

MANAGEMENT DISCUSSION AND ANALYSIS

Use of Net Proceeds from the Placing in November 2024

On November 27, 2024, the Company completed a placing of an aggregate of 17,636,000 placing shares to not less than six placees at a price of HK$13.36 per placing share pursuant to the terms and conditions of the placing agreement dated November 21, 2024. The gross proceeds from the placing were approximately HK$235.6 million. The Company received net proceeds from the placing, after deducting the placing commission and other related expenses and professional fees, of approximately HK$230.4 million. The net proceeds from the placing were utilised during the Reporting Period, and the unutilized net proceeds are intended to be used, in accordance with the intended use of proceeds as previously set out in the announcement of the Company dated November 21, 2024.

The below table sets out the proposed and actual applications of the net proceeds during the Reporting Period:

Intended use of Net Proceeds	Net Proceeds from the Placing *(HK$ million)*	Approximate % of total Net Proceeds	Unutilized Net Proceeds from the Placing as of January 1, 2026 *(HK$ million)*	Utilized Net Proceeds from the Placing during the six months ended June 30, 2026 *(HK$ million)*	Utilized Net Proceeds from the Placing as of June 30, 2026 *(HK$ million)*	Unutilized Net Proceeds from the Placing as of June 30, 2026 *(HK$ million)*	Expected timeline of full utilization of the unutilized Net Proceeds[(1)]
For accelerating research and development of LAE102 and other drug assets targeting ActRII receptors	230.4	100%	133.1	92.2	189.5	40.9	Before December 31, 2026

Note:

(1) The expected timeline is based on the best estimation made by the Group on future market condition and may change with the future market condition and future development.

MANAGEMENT DISCUSSION AND ANALYSIS

Use of Net Proceeds from the Placing in September 2025

On September 17, 2025, the Company completed a placing of an aggregate of 36,000,000 placing shares to not less than six placees at a price of HK$16.30 per placing share pursuant to the terms and conditions of the placing agreement dated September 10, 2025. The gross proceeds from the placing were approximately HK$586.8 million. The Company received net proceeds from the placing, after deducting the placing commission and other related expenses and professional fees, of approximately HK$577.5 million. The net proceeds from the placing were utilised during the Reporting Period, and the unutilized net proceeds are intended to be used, in accordance with the intended use of proceeds as previously set out in the announcement of the Company dated September 10, 2025.

The below table sets out the proposed and actual applications of the net proceeds during the Reporting Period:

Intended use of Net Proceeds	Net Proceeds from the Placing *(HK$ million)*	Approximate % of total Net Proceeds	Unutilized Net Proceeds from the Placing as of January 1, 2026 *(HK$ million)*	Utilized Net Proceeds from the Placing during the six months ended June 30, 2026 *(HK$ million)*	Utilized Net Proceeds from the Placing as of June 30, 2026 *(HK$ million)*	Unutilized Net Proceeds from the Placing as of June 30, 2026 *(HK$ million)*	Expected timeline of full utilization of the unutilized Net Proceeds[(1)]
R&D expenses on ActRII portfolio, including LAE102, LAE103 and LAE123	349.8	60.6%	349.8	–	–	349.8	Before December 31, 2027
Ongoing R&D expenses on preclinical drug candidates	170.0	29.4%	154.3	20.1	35.8	134.2	Before December 31, 2027
General and corporate use	57.7	10.0%	43.8	26.3	40.2	17.5	Before December 31, 2026

Note:

(1) The expected timeline is based on the best estimation made by the Group on future market condition and may change with the future market condition and future development.

MANAGEMENT DISCUSSION AND ANALYSIS

FUTURE DEVELOPMENT

We are committed to advancing and expanding our product portfolio in therapeutic areas where we have accumulated deep expertise and extensive know-how.

LAE102 is our internally discovered monoclonal antibody targeting ActRIIA. Blocking Activin-ActRII pathway could promote muscle regeneration and reduce fat mass, positioning LAE102 as a promising drug candidate for achieving weight control while preserving muscle mass. LAE103 is an ActRIIB-selective antibody and LAE123 is an ActRIIA/IIB dual antagonistic monoclonal antibody. Both are our internally discovered antibodies for muscle and other disease indications. The Group has established a comprehensive ActRII portfolio and strives to maximize the value of targeting ActRII receptors. Currently, we are rapidly advancing the clinical development of this portfolio while actively pursuing strategic partnerships to accelerate its overall development and commercialization.

In addition, the Group is actively exploring potential combination therapy opportunities across our pipeline, with existing approved drugs as well as conventional therapies. Our LAE002 (afuresertib) combination trial with fulvestrant has demonstrated remarkable clinical value in treating HR+/HER2-breast cancer patients who have failed previous standard of care treatments of endocrine/anti-estrogen therapies, including CDK4/6 inhibitors, representing a significant unmet medical need with substantial market potential. Similarly, our combination therapy of LAE002 (afuresertib) plus LAE001 (lapiteronel) has shown promising therapeutic benefits in patients with second-generation A/AR drug-resistant mCRPC. Capivasertib (Truqap) of AstraZeneca was the world's first approved AKT inhibitor. In June 2026, the U.S. FDA approved capivasertib (Truqap) in combination with abiraterone and prednisone for the treatment of PTEN-deficient metastatic hormone-sensitive prostate cancer (mHSPC), following its initial approval for HR+/HER2-breast cancer in November 2023. Such approvals significantly broadened the therapeutic scope of AKT inhibition and highlighted its potential to address unmet needs across multiple tumor types. We are committed to unlocking the full clinical potential of our pipeline.

During the Reporting Period, the Group successfully completed, in collaboration with Eli Lilly and Company, the U.S. Phase I SAD Study of LAE102 in the U.S. In June 2026, the Group and Vasque Bio have entered into an exclusive licensing agreement, and Vasque Bio was granted, among other rights, an exclusive license in the Licensed Territory to develop, manufacture, commercialize and otherwise exploit LAE118. In 2025, the Group and Qilu Pharma have entered into an exclusive licensing agreement for LAE002 (afuresertib) in the China region to expedite the regulatory approval and commercialization of LAE002 (afuresertib) and maximize its commercial value. Moving forward, we will continue to pursue strategic partnerships with leading pharmaceutical companies to advance the clinical development and commercialization of our drug candidate assets.

Looking ahead, the Group aims to commence IND-enabling study for LAE124 (a small molecule dual amylin and calcitonin receptor agonist) in 2026. We also obtained IND approval from the U.S. FDA and the China CDE for LAE118, a PI3Kα pan-mutant selective inhibitor targeting PIK3CA-mutant advanced solid tumors. Building on our proven track record of successfully developing and out-licensing LAE002 (afuresertib), we are accelerating the development of LAE118 with the goal of bringing this precision therapy to cancer patients in need of novel treatment options. Our expanding pipeline underscores our commitment to delivering life-changing therapies to patients worldwide.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As far as the Company is aware, as at June 30, 2026, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of SFO), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Long Positions in the Company

Name of Director	Nature of Interest	Number of Shares held	Approximate percentage of interest in our Company[1]
Dr. LU Chris Xiangyang ("**Dr. Lu**")	Beneficial interest	35,068,890[2]	7.80%
	Founder of a discretionary trust	20,000,000[2]	4.45%
Ms. XIE Ling （謝玲） ("**Ms. Xie**")	Interest in controlled corporation	9,117,240[3]	2.03%
	Beneficial interest	5,545,510[3]	1.23%
Dr. GU Xiang-Ju Justin ("**Dr. Gu**")	Beneficial interest	11,250,500[4]	2.50%

Notes:

(1) The calculation is based on the total number of 449,331,350 Shares in issue as at June 30, 2026.

(2) Includes (i) Shares held by Dr. Lu beneficially under his own name, Shares underlying the Share Options granted to him pursuant to the Pre-IPO Share Option Scheme and Shares underlying the restricted share units granted to him pursuant to the 2024 Share Award Scheme; and (ii) Shares held by the Family Trust of which Dr. Lu is the settlor. Accordingly, Dr. Lu is deemed to be interested in the Shares held by the Family Trust.

(3) Includes (i) Shares held by Ms. Xie through Linbell Technology Holdings Limited, a limited liability company incorporated in the BVI wholly owned by her; and (ii) Shares underlying the Share Options granted to Ms. Xie pursuant to the Pre-IPO Share Option Scheme and Shares underlying the restricted share units granted to her under the 2024 Share Award Scheme.

(4) Includes the Shares underlying the Share Options granted to Dr. Gu pursuant to the Pre-IPO Share Option Scheme and the Shares underlying the restricted share units granted to him under the 2024 Share Award Scheme.

Save as disclosed above and to the best knowledge of our Directors, as of June 30, 2026, none of the Directors or chief executive of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations.

CORPORATE GOVERNANCE AND OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at June 30, 2026, to the best of the knowledge of the Company and the Directors or the chief executive of our Company, the followings are the persons, other than the Directors or chief executive of the Company, who had interests or short positions in the Shares and underlying Shares of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required to be entered in the register of interests required to be kept by the Company pursuant to Section 336 of Part XV of the SFO.

Name of Shareholder	Capacity/Nature of Interest	Number of Shares held	Approximate percentage of interests in our Company[1]
OrbiMed Asia Partners III, L.P.[2]	Investment manager	39,718,000	8.84%
OrbiMed Asia GP III, L.P.[2]	Investment manager	39,718,000	8.84%
OrbiMed Advisors III Limited[2]	Investment manager	39,718,000	8.84%
Futu Trustee Limited[3]	Trustee	25,912,830	5.77%
Future Industry Investment Fund II (先進製造產業投資基金二期(有限合夥))[4]	Beneficial interest	28,519,030	6.35%
CS Capital Co., Ltd. (國投招商投資管理有限公司)[4]	Interest in controlled corporation	28,519,030	6.35%

Notes:

(1) The calculation is based on the total number of 449,331,350 Shares in issue as at June 30, 2026.

(2) OrbiMed Asia Partners III, L.P. is a venture capital fund operated by OrbiMed and registered as exempted limited partnerships in the Cayman Islands. The general partner of OrbiMed Asia Partners III, L.P., is OrbiMed Asia GP III, L.P., whose general partner is OrbiMed Advisors III Limited. Accordingly, each of OrbiMed Asia GP III, L.P. and OrbiMed Advisors III Limited is deemed to be interested in the Shares held by OrbiMed Asia Partners III, L.P. under the SFO.

(3) Futu Trustee Limited is the trustee of Laekna Wonderland Trust and Laekna Halley Trust which were set up to facilitate the administration of the Pre-IPO Share Option Scheme.

(4) CS Capital Co., Ltd. (國投招商投資管理有限公司) is the general partner of Future Industry Investment Fund II (先進製造產業投資基金二期(有限合夥)).

Save as disclosed above and to the best knowledge of our Directors, as at June 30, 2026, no person (other than the Directors and chief executive of the Company) had or was deemed to have any interests or short positions in the shares, underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company or the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or which were required to be entered in the register required to be kept by the Company pursuant to Section 336 of the SFO.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this report, during the Reporting Period and up to the date of this report, none of the Company or any of its subsidiaries were a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

SHARE INCENTIVE PLANS

Pre-IPO Share Option Scheme

We adopted the Pre-IPO Share Option Scheme on April 11, 2018, and amended it on October 30, 2019, April 20, 2021 and March 31, 2022. The scheme is not subject to Chapter 17 of the Listing Rules and will not involve the grant of options by our Company to subscribe for new Shares after Listing. As at the date of this report, nil Shares underlying the Share Options are available for issue under the Pre-IPO Share Option Scheme. Upon Listing, we have not made and will not make any new grants of options under the Pre-IPO Share Option Scheme. As such, no Share Option was available for grant at the beginning of the Reporting Period (i.e. January 1, 2026), and no Share Option remains available for grant under the Pre-IPO Share Option Scheme as of June 30, 2026.

As at June 30, 2026, the number of Share Options outstanding under the Pre-IPO Share Option Scheme is 23,661,130.

1. Summary of Terms

(a) Purpose

The purpose of the Pre-IPO Share Option Scheme is to incentivize and reward the eligible persons for their contribution to the Group and to align their interests with that of the Company so as to encourage them to work towards enhancing the value of the Company.

(b) Eligible Participants

We may grant Share Options to employees, officers, directors, contractors, advisors or consultants of the Group (the "**Eligible Participant(s)**").

(c) Maximum Number of Shares

There will be no more new grants of awards under the Pre-IPO Share Option Scheme upon the Listing. The maximum aggregate number of Shares in respect of the Share Options which may be issued pursuant to the Pre-IPO Share Option Scheme shall not exceed 56,999,430 Shares (subject to adjustment to reflect any rights issue, consolidation, share splits, or similar transactions).

CORPORATE GOVERNANCE AND OTHER INFORMATION

(d) Maximum Entitlement of a Participant

No Eligible Participant shall be granted in aggregate Share Options which exceeds ten percent (10%) of the aggregate number of Shares for the time being issued and issuable under the Pre-IPO Share Option Scheme.

The Pre-IPO Share Option Scheme has no service provider sublimit under Chapter 17 of the Listing Rules.

(e) Exercise Period

Except as otherwise provided in an offer letter, any Share Option shall become exercisable upon vesting until the tenth anniversary of the adoption date thereof. Notwithstanding the foregoing, the exercise shall be conditional upon full compliance of the grantee and the Company with all applicable laws and regulations. In the event the grantee ceases to be an employee by reason of his/her death, disability or for any other reason that the Board or the Administrator considers valid, before exercising the Share Option in full, the grantee's vested Share Option may be assigned to its representative (to the extent not already exercised).

(f) Vesting Schedule

Unless otherwise approved by the Administrator and set forth in an offer letter, the vesting schedule of the Share Options granted shall be a 60-month vesting schedule consisting of a cliff vesting of forty percent (40%) after twenty-four (24) months from the commencement date as indicated in the offer letter and, thereafter, quarterly vesting of equal installments over the remaining twelve (12) quarters.

(g) Duration and Remaining Life

The Pre-IPO Share Option Scheme shall automatically terminate on the expiration of the 10-year period measured from the date the Pre-IPO Share Option Scheme was adopted by the Board. Therefore, as at the date of this report, the remaining life of the Pre-IPO Share Option Scheme was approximately one year and eight months.

(h) Exercise Price

The exercise price of the Share Options granted shall be approved by the Administrator from time to time and shall be set out in the offer letter. The basis of determining the exercise price is, among others, service term and work performance.

(i) Amount Payable on Application or Acceptance of the Option

No cash consideration was paid by the grantees for the outstanding options granted.

CORPORATE GOVERNANCE AND OTHER INFORMATION

2. Options Granted

Movements of the outstanding options granted under the Pre-IPO Share Option Scheme during the Reporting Period are set out below:

Name or category of grantee	Outstanding as at January 1, 2026	Granted during the Reporting Period[1]	Lapsed during the Reporting Period	Cancelled during the Reporting Period	Exercised during the Reporting Period[2]	Outstanding as at the end of the Reporting Period	Date of Grant	Exercise price (US$ per share)	Vesting period	Exercise period
DIRECTORS AND SENIOR MANAGEMENT										
Dr. Lu (Director)	2,635,520	–	–	–	–	2,635,520	February 15, 2023	0.452	Note 3	Note 6
Ms. Xie (Director)	670,510	–	–	–	–	670,510	March 1, 2021, June 15, 2021, and March 31, 2022	0.05	Note 3	Note 6
Dr. Gu (Director)	4,600,500	–	–	–	–	4,600,500	January 4, 2020, March 2, 2020, and June 15, 2021	0.234	Note 3	Note 6
	1,000,000	–	–	–	–	1,000,000	March 31, 2022 and February 15, 2023	0.452	Note 3	Note 6
Subtotal	**8,906,530**	**–**	**–**	**–**	**–**	**8,906,530**				
Consultants (including former consultants) of the Group	167,500	–	–	–	–	167,500	July 16, 2018, March 31, 2022, and October 1, 2022	0.234, 0.452	Note 4	Note 6
Other grantees (including employees and former employees)	15,686,100	–	70,000	–	1,029,000	14,587,100	April 11, 2018 to January 31, 2023	0.03 to 0.452	Note 5	Note 6

Notes:

(1) Closing price of Shares immediately before the date on which the Share Options were granted and the fair value of Share Options at the date of grant are not applicable as no Share Option was granted during the Reporting Period. No grant was made under the Pre-IPO Share Option Scheme which requires review by the Remuneration Committee during the Reporting Period.

(2) The weighted average closing price of the Shares immediately before the dates on which the Share Options were exercised is HK$11.91.

(3) The vesting schedule for these Share Options is: (i) 40% to be vested two years from the commencement date as indicated in the relevant offer letters signed between the grantees and the Company (the "**Vesting Commencement Date**"); and (ii) 5% to be vested every quarter thereafter.

(4) Among the 167,500 Share Options to the external consultants of our Group, the vesting schedule for 50,000 Share Options is: (i) 40% to be vested two years from the Vesting Commencement Date; and (ii) 5% to be vested every quarter thereafter; and the vesting schedule for 117,500 Share Options is: (i) 20% to be vested one year from the Vesting Commencement Date; and (ii) 5% to be vested every quarter thereafter.

(5) Among the 14,587,100 Share Options to other grantees, the vesting schedule for 8,879,100 Share Options is: (i) 40% to be vested two years from the Vesting Commencement Date; and (ii) 5% to be vested every quarter thereafter; and the vesting schedule for 5,708,000 Share Options is: (i) 20% to be vested one year from the Vesting Commencement Date; and (ii) 5% to be vested every quarter thereafter.

(6) All the Share Options granted are exercisable upon vesting and after the Listing of the Shares unless otherwise approved by the Board, and will expire on or before the latter of (1) the third anniversary after the Listing Date, and (2) the tenth anniversary after the Vesting Commencement Date.

(7) All of the grants under the Pre-IPO Share Option Scheme were made without any performance targets.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Post-IPO Share Schemes

We adopted the Post-IPO Share Option Scheme on June 9, 2023, which was immediately prior to Listing. We further adopted the 2024 Share Award Scheme on June 14, 2024. Each of the schemes constitutes a share scheme governed by Chapter 17 of the Listing Rules.

The number of Share Options available for grant under the Post-IPO Share Option Scheme and the number of awards available for grant under the 2024 Share Award Scheme at the beginning and at the end of the Reporting Period was, in aggregate, 16,630,035 and 1,306,535, respectively, representing 3.70% and 0.29% of the total number of Shares in issue as of June 30, 2026. The number of Awards available for grant to eligible consultants under the Service Provider Sublimit (calculated as the lower of (i) 1% of the total number of Shares in issue as at the Adoption Date (excluding treasury shares) and (ii) the total number of awards available for grant under the 2024 Share Award Scheme) at the beginning and at the end of the Reporting Period was 3,901,003 and 1,306,535, respectively, representing 0.87% and 0.29% of the total number of Shares in issue as of June 30, 2026. As at the date of this report, 30,685,035 Shares are available for issue under the Post-IPO Share Option Scheme and 2024 Share Award Scheme, representing 6.79% of the total number of Shares in issue (excluding treasury shares) as at the date of this report.

During the Reporting Period, 15,323,500 restricted share units ("**RSUs**") (representing an aggregate of 15,323,500 Shares) were granted under the 2024 Share Award Scheme, among which 7,673,500 RSUs were granted to employee participants of the Group (representing an aggregate of 7,673,500 Shares), and 2,550,000 RSUs were granted to each of Dr. Lu, Ms. Xie and Dr. Gu (representing 2,550,000 Shares to each of Dr. Lu, Ms. Xie and Dr. Gu). The Remuneration Committee reviewed and approved such grant to employees of the Group including Dr. Lu, Ms. Xie, and Dr. Gu.

No Share Option was granted under the Post-IPO Share Option Scheme during the Reporting Period. Accordingly, no grant of Share Option was made under the Post-IPO Share Option Scheme during the Reporting Period which requires review by the Remuneration Committee.

1. Terms of the Post-IPO Share Option Scheme

(a) Purpose

The purpose of the Post-IPO Share Option Scheme is to incentivize and reward the eligible persons for their contribution to the Group and to align their interests with that of the Company so as to encourage them to work towards enhancing the value of the Company.

(b) Eligible Participants

We may grant Share Options to (a) an employee (whether full time or part-time) or a director of the Company or any of its subsidiaries and (b) a consultant who provides services to the Group (such as in respect of research and development, product commercialization, marketing and investor relations in investment environment of the Group) on a continuing and recurring basis in its ordinary and usual course of business which are material to the long term growth of the Group.

CORPORATE GOVERNANCE AND OTHER INFORMATION

(c) Maximum Number of Shares

Scheme mandate limit

The total number of Shares which may be issued upon exercise of all options and awards to be granted under the share scheme(s) adopted by the Company involving issue of new Shares (the "**Awards**") shall not in aggregate exceed 39,010,035 Shares, which also represents 8.68% of the issued Shares as at the end of the Reporting Period.

Eligible consultant sublimit

The total number of Shares which may be issued upon exercise of all Awards to be granted to eligible consultants shall not exceed 3,901,003 Shares.

The above limits may be refreshed by Shareholders at general meeting in accordance with Rule 17.03C of Chapter 17 of the Listing Rules.

(d) Maximum Entitlement of a Participant

Except with the approval of Shareholders in general meeting with such participant and his/her close associates (or his/her associates if the participant is a connected person) abstaining from voting, no option may be granted to any one person such that the total number of Shares issued and to be issued upon exercise of all Awards granted to such person in any 12-month period up to and including the date of the latest grant exceeds 1% of the Shares in issue from time to time.

(e) Exercise Period

An option may be exercised in accordance with the terms of the Post-IPO Share Option Scheme at any time during a period to be determined and notified by the Administrator to each grantee, which may commence on any day after the date upon which the offer for the grant of options is accepted or deemed to be accepted but shall end in any event not later than 10 years from the date on which an option is offered to a participant, subject to the provisions for early termination under the Post-IPO Share Option Scheme or the relevant document of grant or other notification issued by the Administrator. In any event, the minimum period for which an option must be held before it can be exercised shall be 12 months, subject to a shorter vesting period otherwise permitted under the Listing Rules.

(f) Vesting Period

The vesting period shall be determined by the Administrator thereof in an offer letter from time to time, subject to any acceleration of the vesting schedule at the Administrator's discretion, provided that any acceleration shall be subject to the minimum vesting period of 12 months, as well as a shorter vesting period as permitted under the Listing Rules.

(g) Duration and Remaining Life

The Post-IPO Share Option Scheme shall automatically terminate on the expiration of the 10-year period measured from the Listing Date. Therefore, as at the date of this report, the remaining life of the Post-IPO Share Option Scheme was approximately six years and ten months.

CORPORATE GOVERNANCE AND OTHER INFORMATION

(h) Subscription Price

The amount payable for each Share to be subscribed for under an option in the event of the option being exercised shall be determined by the Administrator and notified to any eligible participant, which shall be not less than the highest of: (i) the nominal value of a Share; (ii) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date on which an option is offered to the participant, which must be a business day; and (iii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date on which an option is offered to the participant.

(i) Amount Payable on Application or Acceptance of the Option

An option shall be deemed to have been granted and accepted and to have taken effect when the duplicate letter comprising acceptance of the offer of the grant of the option duly signed by the grantee together with a payment to the Company and/or any of its subsidiaries of HK$1 (or the equivalent of HK$1 in the local currency of any jurisdiction where the Company and/or its subsidiaries operate, as the Administrator thereof may in its absolute discretion determine) by way of consideration for the grant thereof is received by the Company within 28 days after the date on which an option is offered to the grantee, or the time period specified in the offer of the grant of the option. Such remittance shall not be refundable.

2. Terms of the 2024 Share Award Scheme

(a) Purpose

The purpose of the 2024 Share Award Scheme is to attract and retain participants whose contributions are important to the long-term growth and success of the Group, to recognize and reward participants for their past contribution to the Group, to provide participants with the opportunity to acquire proprietary interests in the Company and to encourage participants to further contribute to the Company and work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole. The 2024 Share Award Scheme will provide the Company with a flexible means of retaining, incentivizing, rewarding, remunerating, compensating and/or providing benefits to participants.

(b) Duration and Remaining Life

The 2024 Share Award Scheme shall be valid and effective for ten years commencing on the adoption date (i.e. June 14, 2024) (the "**Adoption Date**"). Therefore, the remaining life of the 2024 Share Award Scheme was approximately seven years and ten months.

(c) Eligibility

The participants who may be selected are any individual or corporate entity (as the case may be), being any of (i) employee participant(s); or (ii) service provider(s) as defined in the 2024 Share Award Scheme, who the Administrator considers, in its sole discretion, have contributed or will contribute to the Group. For details of the factors in assessing the eligibility of the participants that the Administrator will consider, please refer to the announcement of the Company dated May 21, 2024.

CORPORATE GOVERNANCE AND OTHER INFORMATION

(d) Maximum Entitlement of a Participant

Unless approved by the Shareholders, the total number of Shares issued and to be issued in respect of all Awards granted to each participant in any 12-month period shall not exceed 1% of the total number of Shares in issue (excluding treasury shares) (the "**Individual Limit**"). Where any grant of Awards under the 2024 Share Award Scheme to a participant would result in the aggregate number of Shares issued and to be issued in respect of all Awards granted to such participant (excluding any Awards lapsed in accordance with the terms of the share scheme(s) of the Company) in the 12-month period up to and including the date of such grant exceeding such Individual Limit, such grant shall be subject to separate approval of the Shareholders in general meeting with such participant and his/her close associates (or his/her associates if the participant is a connected person of the Company) abstaining from voting.

In addition, subject to the Individual Limit, where any grant of awards (excluding grant of options) to a Director (other than an independent non-executive Director) or chief executive of the Company (or any of their associates) would result in the number of Shares issued and to be issued in respect of all awards granted (excluding grant of options) under the 2024 Share Award Scheme and any other share scheme(s) of the Company (excluding awards lapsed in accordance with relevant schemes) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the total number of Shares in issue as at the date of grant (excluding treasury shares), such further grant of awards shall be subject to prior approval by the Shareholders (voting by way of poll) in general meeting with the grantees, their associates and all core connected persons (as defined under the Listing Rules) of the Company abstaining from voting in favour. Where any grant of Awards to an independent non-executive Director or substantial Shareholder of the Company or any of their respective associates would result in the number of Shares issued and to be issued in respect of all Awards granted under the share scheme(s) of the Company (excluding Awards lapsed in accordance with the relevant schemes) to such person in the 12-month period up to and including the date of grant representing in aggregate over 0.1% of the total number of Shares in issue as at the date of grant (excluding treasury shares), such further grant of Awards shall be subject to prior approval by the Shareholders (voting by way of poll) in general meeting with the grantees, their associates and all core connected persons (as defined under the Listing Rules) of the Company abstaining from voting in favour.

(e) Maximum number of Shares

The total number of Shares which may be issued in respect of all Awards that may be granted under the share scheme(s) adopted by the Company must not in aggregate exceed 10% of the total number of Shares in issue as at the Adoption Date (excluding treasury shares), being 39,010,035 Shares (the "**Scheme Mandate Limit**"), unless otherwise permitted by the Listing Rules or the Company obtains the approval of its Shareholders to refresh the Scheme Mandate Limit. Within the Scheme Mandate Limit, the total number of Shares which may be issued in respect of all Awards that may be granted under the share scheme(s) of the Company to each participant who is a service provider must not in aggregate exceed 3,901,003 Shares, representing 1% of the total number of Shares in issue as at the Adoption Date (excluding treasury shares) (the "**Service Provider Sublimit**"). Awards which have lapsed in accordance with the terms of the share scheme(s) of the Company shall not be counted for the purpose of calculating the Scheme Mandate Limit or the Service Provider Sublimit.

(f) Purchase Price

Unless otherwise determined by the Administrator at its sole discretion or as required by applicable law in respect of the purchase price (if any) of any particular award on a case-by-case basis which shall be stated in the offer documentation, the grantee is not required to pay any purchase price to the Company to purchase any restricted share unit underlying an award granted under the 2024 Share Award Scheme. The grantee is not required to pay any consideration to the Company on acceptance of an offer.

CORPORATE GOVERNANCE AND OTHER INFORMATION

(g) Vesting of Awards

The Administrator may determine the vesting period of the awards, provided that the vesting period in respect of any award shall be no less than 12 months from (and including) the date of the grant, except with respect to awards granted to an employee participant, for which a shorter vesting period may be permitted under specified circumstances pursuant to the 2024 Share Award Scheme. According to the 2024 Share Award Scheme, upon vesting of the awards granted to the grantee, such awards shall be satisfied by (i) existing Shares as may be purchased by the relevant trustee on the Stock Exchange or off the market; or (ii) new Shares to be allotted and issued (or treasury shares to be transferred) to the grantee directly or (iii) payment to the grantee of an amount equivalent to the market value of the Shares underlying the awards in cash.

3. Awards Granted under the 2024 Share Award Scheme

No Share Option was granted under the Post-IPO Share Option Scheme during the Reporting Period. Movements of the RSUs granted under the 2024 Share Award Scheme during the Reporting Period are set out below:

			Number of RSUs									
Name or category of grantee	Date of Grant	Closing price immediately before the date of grant (HK$ per Share)	Outstanding as at January 1, 2026	Granted during the Reporting Period	Vested during the Reporting Period	Lapsed during the Reporting Period	Cancelled during the Reporting Period	Outstanding as at the end of the Reporting Period	Purchase price per RSU granted[1]	Vesting period	Performance targets	Fair value of RSUs at the date of grant[2] (HK$)
DIRECTORS AND SENIOR MANAGEMENT												
Dr. Lu *(Director)*	September 5, 2024	N/A	1,125,000	–	–	–	–	1,125,000	–	Note 3	Note 4	N/A
	May 8, 2025	N/A	1,600,000	–	400,000	–	–	1,200,000	–	Note 3	Note 4	N/A
	May 8, 2026[5]	13.93	–	2,550,000	–	–	–	2,550,000	–	Note 3	Note 4	25,398,000
Ms. Xie *(Director)*	September 5, 2024	N/A	1,125,000	–	–	–	–	1,125,000	–	Note 3	Note 4	N/A
	May 8, 2025	N/A	1,600,000	–	400,000	–	–	1,200,000	–	Note 3	Note 4	N/A
	May 8, 2026[5]	13.93	–	2,550,000	–	–	–	2,550,000	–	Note 3	Note 4	25,398,000
Dr. Gu *(Director)*	September 5, 2024	N/A	1,125,000	–	–	–	–	1,125,000	–	Note 3	Note 4	N/A
	May 8, 2025	N/A	1,600,000	–	400,000	–	–	1,200,000	–	Note 3	Note 4	N/A
	May 8, 2026[5]	13.93	–	2,550,000	–	–	–	2,550,000	–	Note 3	Note 4	25,398,000
OTHER EMPLOYEE PARTICIPANTS												
	September 5, 2024	N/A	4,815,000	–	–	–	–	4,815,000	–	Note 3	Note 4	N/A
	May 8, 2025	N/A	6,660,000	–	1,665,000	–	–	4,995,000	–	Note 3	Note 4	N/A
	May 8, 2026-	13.93	–	7,673,500	–	–	–	7,673,500	–	Note 3	Note 4	103,592,000
Total:			19,650,000	15,323,500	2,865,000	–	–	32,108,500				

Notes:

(1) The RSUs granted during the Reporting Period had no exercise period or purchase price.

(2) Details of the fair value of RSUs granted at the date of grant and the accounting standard and policy adopted are set out in Note 19 to the financial statements in this report. The fair value of RSUs granted during the Reporting Period at the date of grant was HK$179,786,000.

(3) The vesting period for these RSUs is 25% shall vest on each anniversary of the date of the grant of the RSUs for the next four years, subject to satisfaction (or waiver, as applicable) of the vesting conditions stipulated in the respective grant letters.

CORPORATE GOVERNANCE AND OTHER INFORMATION

(4) The vesting of the RSUs granted are not subject to any performance targets.

(5) The RSUs granted to Dr. Lu, Ms. Xie and Dr. Gu were approved by the independent Shareholders at the annual general meeting held on June 5, 2026.

(6) None of the participants has been granted with options and awards in excess of the 1% Individual Limit.

The number of Shares that may be issued in respect of options and awards granted under all schemes of the Company (i.e. the Pre-IPO Share Option Scheme, the Post-IPO Share Option Scheme, and the 2024 Share Award Scheme) during the Reporting Period divided by the weighted average number of Shares in issue during the Reporting Period is 0.04.

CHANGE IN DIRECTOR'S BIOGRAPHICAL DETAILS UNDER RULE 13.51B OF THE LISTING RULES

As at the date of this report, there has been no change in the information of the Directors as required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company recognizes the importance of good corporate governance for enhancing the management of the Company as well as preserving the interests of the Shareholders as a whole. The Company has adopted the CG Code contained in Appendix C1 to the Listing Rules as its own code of corporate governance. The Directors are of the view that during the Reporting Period, the Company has complied with all applicable code provisions of the CG Code save and except for the following deviation from code provision C.2.1 of the CG Code.

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Dr. LU Chris Xiangyang ("**Dr. Lu**") has served as our chairman since May 2018 and chief executive officer since April 2017. Dr. Lu is the founder of our Group and has extensive experience in the business operations and management of our Group. Our Board believes that, in view of his experience, personal profile and his roles in our Company as mentioned, Dr. Lu is the Director best suited to identify strategic opportunities and focus of the Board due to his extensive understanding of our business as our chief executive officer. Our Board also believes that the combined role of chairman and chief executive officer can promote the effective execution of strategic initiatives and facilitate the flow of information between management and the Board. Our Directors consider that the balance of power and authority will not be impaired due to this arrangement. In addition, all major decisions are made in consultation with members of the Board, including the relevant Board committees, and three independent non-executive Directors.

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 chairman and the chief executive officer is necessary.

CORPORATE GOVERNANCE AND OTHER INFORMATION

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct regarding dealings in the securities of the Company by the Directors and the Company's senior management who, because of his/her office or employment, is likely to possess inside information in relation to the Company or its securities.

Upon specific enquiry, all Directors confirmed that they have complied with the Model Code during the Reporting Period. In addition, the Company is not aware of any non-compliance of the Model Code by the employees of the Company who are likely to be in possession of inside information of the Company during the Reporting Period.

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

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities (including sale of treasury shares (as defined under the Listing Rules)) during the Reporting Period. As of June 30, 2026, the Company did not hold any treasury shares (as defined under the Listing Rules) and no Shares were repurchased or pending cancellation.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The Company has established an Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code. The primary duties of the Audit Committee are to assist the Board by providing an independent view of the effectiveness of the financial reporting process, internal control and risk management systems of the Group, overseeing the audit process and performing other duties and responsibilities as assigned by the Board. The Audit Committee currently consists of two independent non-executive Directors being Mr. ZHOU Jian and Dr. LI Min, and one non-executive Director being Dr. WANG David Guowei. The chairperson of the Audit Committee is Mr. ZHOU Jian. Mr. ZHOU Jian holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing rules.

The Audit Committee had reviewed, together with the management, the accounting principles and policies adopted by the Group and discussed internal controls and financial reporting matters including a review of the unaudited interim financial information of the Group for the Reporting Period.

In addition, the Company's independent auditor, KPMG, has performed an independent review of the Group's interim financial information for the Reporting Period in accordance with Hong Kong Standard on Review Engagements 2410 *"Review of Interim Financial Information performed by the Independent Auditor of the Entity"* issued by the Hong Kong Institute of Certified Public Accountants.

CORPORATE GOVERNANCE AND OTHER INFORMATION

EVENTS AFTER THE REPORTING PERIOD

On July 1, 2026, the Board approved the repurchase of Shares on the open market by the Company pursuant to the general mandate to repurchase Shares granted by the Shareholders at the annual general meeting of the Company held on June 5, 2026.

During the period from July 9, 2026 to July 15, 2026 and up to the date of this report, the Company repurchased an aggregate of 219,000 Shares on the Stock Exchange for a total consideration of approximately HK$1.6 million (including transaction costs). All repurchased Shares are pending for cancellation.

The Board considers that the share repurchases demonstrate the Company's confidence in its business outlook and to create value for its shareholders.

For further details, please refer to the announcement of the Company dated July 2, 2026 in relation to, amongst others, the on-market Share repurchase, as well as the next day disclosure returns dated July 9, 2026, July 10, 2026, July 13, 2026, July 14, 2026 and July 15, 2026.

In August 2026, the NDA for LAE002 (afuresertib) has been accepted by the CDE of China's NMPA for the treatment of patients with LA/mBC with *PIK3CA/AKT1/PTEN* alterations, following recurrence or progression on or after endocrine therapy(-ies) (with or without a CDK4/6 inhibitor). For further details, please refer to the announcement of the Company dated August 12, 2026.

Save as disclosed above, as at the date of this report, there were no material subsequent events after the Reporting Period.

INTERIM DIVIDEND

The Board does not declare the payment of an interim dividend to the Shareholders for the Reporting Period.

On behalf of the Board
Laekna, Inc.
Dr. LU Chris Xiangyang
Chairman and executive Director

Hong Kong, August 25, 2026

INDEPENDENT REVIEW REPORT

Review report to the board of directors of Laekna, Inc.
(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial report set out on pages 39 to 58, which comprises the consolidated statement of financial position of Laekna, Inc. (the "Company") as of 30 June 2026 and the related consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and condensed consolidated cash flow statement for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim financial reporting* as issued by the International Accounting Standards Board. The directors are responsible for the preparation and presentation of this interim financial report in accordance with International Accounting Standard 34.

Our responsibility is to express a conclusion, based on our review, on this interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity* as issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial report consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2026 is not prepared, in all material respects, in accordance with International Accounting Standard 34 Interim financial reporting.

KPMG

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

25 August 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026 — unaudited

	Note	Six months ended 30 June	
		2026	2025
		RMB'000	*RMB'000*
Revenue	4	**150,277**	–
Cost of sales		**(20,862)**	–
Gross profit		**129,415**	–
Other income	5	**25,962**	19,908
Administrative expenses		**(58,627)**	(42,321)
Research and development expenses		**(97,000)**	(105,192)
Loss from operations		**(250)**	(127,605)
Finance costs	6(a)	**(2,299)**	(2,032)
Loss before taxation	6	**(2,549)**	(129,637)
Income tax	7	**–**	–
Loss for the period		**(2,549)**	(129,637)
Other comprehensive income for the period (after tax and reclassification adjustments)			
Items that will not be reclassified to profit or loss:			
Exchange differences on translation of financial statements of the Company		**(87,380)**	(9,216)
Items that are or may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of foreign subsidiaries		**46,406**	5,454
Total comprehensive income for the period		**(43,523)**	(133,399)
Loss per share	8		
Basic and diluted (RMB)		**(0.01)**	(0.35)

The notes on pages 43 to 58 form part of this interim financial report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026 — unaudited

	Note	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Non-current assets			
Property, plant and equipment		**1,688**	1,781
Intangible assets	9	**116,132**	121,134
Right-of-use assets		**2,170**	3,038
Financial assets measured at fair value through profit or loss ("FVPL")	10(a)	**51,422**	–
Pledged deposits	13	**4,085**	4,053
Other non-current assets	11	**15,323**	12,250
		190,820	142,256
Current assets			
Prepayments and other receivables	12	**23,629**	10,197
Pledged deposits	13	**68,161**	–
Time deposits	14	**180,660**	19,155
Cash and bank balances	15	**941,820**	1,243,218
		1,214,270	1,272,570
Current liabilities			
Bank loans	16	**153,102**	117,408
Other payables	17	**42,281**	75,338
Contract liabilities	18	**4,160**	34,791
Lease liabilities		**2,045**	2,045
		201,588	229,582
Net current assets		**1,012,682**	1,042,988
Total assets less current liabilities		**1,203,502**	1,185,244
Non-current liabilities			
Lease liabilities		**419**	1,387
Financial liabilities measured at FVPL	10(b)	**540**	–
Deferred income		**3,500**	3,500
		4,459	4,887
NET ASSETS		**1,199,043**	1,180,357
CAPITAL AND RESERVES	20		
Share capital		**31**	31
Treasury shares		**(2)**	(2)
Reserves		**1,199,014**	1,180,328
TOTAL EQUITY		**1,199,043**	1,180,357

Approved and authorised for issue by the board of directors on 25 August 2026.

LU Chris Xiangyang

Directors

XIE Ling

The notes on pages 43 to 58 form part of this interim financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026 — unaudited

	Note	Share capital *RMB'000*	Treasury shares *RMB'000*	Share premium *RMB'000*	Capital reserve *RMB'000*	Exchange reserve *RMB'000*	Accumulated losses *RMB'000*	Total equity *RMB'000*
Balance at 1 January 2025		28	(2)	3,449,221	103,473	(157,091)	(2,590,837)	804,792
Changes in equity for the six months ended 30 June 2025								
Loss for the period		–	–	–	–	–	(129,637)	(129,637)
Other comprehensive income		–	–	–	–	(3,762)	–	(3,762)
Total comprehensive income		–	–	–	–	(3,762)	(129,637)	(133,399)
Equity settled share-based transactions	19	–	–	–	35,863	–	–	35,863
Exercise of share options	20(a)	–	–*	29,768	(24,168)	–	–	5,600
Balance at 30 June 2025 and 1 July 2025		28	(2)	3,478,989	115,168	(160,853)	(2,720,474)	712,856
Changes in equity for the six months ended 31 December 2025								
Loss for the period		–	–	–	–	–	(99,681)	(99,681)
Other comprehensive income		–	–	–	–	(20,626)	–	(20,626)
Total comprehensive income		–	–	–	–	(20,626)	(99,681)	(120,307)
Equity settled share-based transactions	19	–	–	–	59,870	–	–	59,870
Exercise of share options	20(a)	–	–*	(251)	355	–	–	104
Vesting of restricted share units	20(a)	–*	–	15,582	(15,582)	–	–	–*
Share issued by placing, net of issuance costs	20(a)	3	–	527,831	–	–	–	527,834
Balance at 31 December 2025		31	(2)	4,022,151	159,811	(181,479)	(2,820,155)	1,180,357

* The balance represents an amount less than RMB1,000.

	Note	**Share capital *RMB'000***	**Treasury shares *RMB'000***	**Share premium *RMB'000***	**Capital reserve *RMB'000***	**Exchange reserve *RMB'000***	**Accumulated losses *RMB'000***	**Total equity *RMB'000***
Balance at 1 January 2026		31	(2)	4,022,151	159,811	(181,479)	(2,820,155)	1,180,357
Changes in equity for the six months ended 30 June 2026								
Loss for the period		–	–	–	–	–	(2,549)	(2,549)
Other comprehensive income		–	–	–	–	(40,974)	–	(40,974)
Total comprehensive income		–	–	–	–	(40,974)	(2,549)	(43,523)
Equity settled share-based transactions	19	–	–	–	60,801	–	–	60,801
Exercise of share options	20(a)	–	–*	2,836	(1,428)	–	–	1,408
Vesting of restricted share units	20(a)	–*	–	42,411	(42,411)	–	–	–*
Balance at 30 June 2026		31	(2)	4,067,398	176,773	(222,453)	(2,822,704)	1,199,043

* The balance represents an amount less than RMB1,000.

The notes on pages 43 to 58 form part of this interim financial report.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 June 2026 — unaudited

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Operating activities		
Cash used in operations	**(99,770)**	(74,149)
Net cash used in operating activities	**(99,770)**	(74,149)
Investing activities		
Payment for purchase of property, plant and equipment	**(409)**	(71)
Proceeds from disposal of property, plant and equipment	**2**	3
Payment for purchase of intangible assets	**–**	(440)
Payment for pledged deposits	**–**	(4,000)
Net (increase)/decrease in time deposits with original maturity over three months	**(160,608)**	95,437
Interest received from bank deposits	**19,419**	14,997
Net cash (used in)/generated from investing activities	**(141,596)**	105,926
Financing activities		
Proceeds from bank loans	**118,602**	62,493
Repayment of bank loans	**(82,908)**	(51,510)
Interest paid for bank loans	**(2,230)**	(1,918)
Payment for pledged deposits for bank loans	**(68,109)**	–
Proceeds from exercise of share options	**803**	2,813
Payment for capital element of lease liabilities	**(968)**	(923)
Payment for interest element of lease liabilities	**(69)**	(114)
Net cash (used in)/generated from financing activities	**(34,879)**	10,841
Net (decrease)/increase in cash and cash equivalents	**(276,245)**	42,618
Cash and cash equivalents at 1 January	**1,240,768**	634,323
Effect of foreign exchange rate changes	**(24,260)**	(2,399)
Cash and cash equivalents at 30 June	**940,263**	674,542

The notes on pages 43 to 58 form part of this interim financial report.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

1 GENERAL INFORMATION

Laekna, Inc. was incorporated in the Cayman Islands on 29 July 2016 as an exempted company with limited liability under the law of the Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (together, the "Group") are principally engaged in discovering, developing and commercialising innovative therapies to patients with metabolic diseases, cancer and liver fibrosis.

The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Listing") on 29 June 2023.

2 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard ("IAS") 34, *Interim financial reporting*, issued by the International Accounting Standards Board ("IASB"). It was authorised for issue on 25 August 2026.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in Note 3.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities, income, and expenses on a year-to-date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 annual financial statements. The condensed consolidated interim financial statements and the accompanying notes do not include all of the information required for a full set of financial statements prepared in accordance with IFRS Accounting Standards.

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). KPMG's independent review report to the Board of Directors is included on page 38.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

3 CHANGES IN ACCOUNTING POLICIES

The IASB has issued a number of amendments to IFRS Accounting Standards that are first effective for the current accounting period. None of these developments have had a material effect on these financial statements. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are the discovering, developing and commercialising innovative therapies to patients with metabolic diseases, cancer and liver fibrosis. During the period ended 30 June 2026, the Group's revenue was derived from exclusive license agreements by granting licenses of certain intellectual properties to the customers, and providing research and development services in relation to the licensed products to the customers.

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines and the timing of revenue recognition is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Revenue from contracts with customers within the scope of IFRS 15		
Revenue from the license	**119,646**	–
Revenue from provision of research and development services	**30,631**	–
	150,277	–
Disaggregated by timing of revenue recognition		
— Point in time	**119,646**	–
— Over time	**30,631**	–
	150,277	–

(ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date.

As at 30 June 2026, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts is RMB4,160,000 (31 December 2025: RMB34,791,000), which is expected to occur over the next 12 months.

The above amount does not include any amounts of milestone payments that the Group may earn in the future by meeting the conditions set out in the Group existing contracts with customers, unless at the reporting date it is highly probable that the Group will satisfy the conditions for earning those payments.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

4 REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting

For the purpose of making decisions about resources allocation and performance assessment, the Group's management focuses on the operating results of the Group as a whole. As such, the Group's resources are integrated, and no discrete operating segment information is available. Accordingly, no operating segment information is presented.

(i) Geographical information

The following table sets out information about the geographical location of the Group's revenue from external customers. The geographical location of revenue is based on the geographical location of customers.

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Chinese Mainland	**30,631**	–
United States	**119,646**	–

5 OTHER INCOME

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Interest income from bank deposits	**19,507**	13,903
Government grants	**3,462**	4,509
Net foreign exchange gains	**2,993**	1,496
	25,962	19,908

6 LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging/(crediting):

(a) Finance costs

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Interest on bank loans	**2,230**	1,918
Interest on lease liabilities	**69**	114
	2,299	2,032

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

6 LOSS BEFORE TAXATION (Continued)

(b) Staff costs

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Salaries, wages and other benefits	**38,231**	38,201
Contributions to defined contribution retirement plan	**2,661**	3,040
Equity settled share-based transactions expenses	**60,801**	35,863
	101,693	77,104

(c) Other items

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Amortisation of intangible assets	**2,428**	1,098
Depreciation charge		
— property, plant and equipment	**524**	511
— right-of-use assets	**868**	868
	1,392	1,379
Research and development expenses (i)	**97,000**	105,192
Cost of sales (ii)	**20,862**	–

(i) During the six months ended 30 June 2026, research and development expenses included staff costs, depreciation and amortisation expenses of RMB47,821,000 in total (six months ended 30 June 2025: RMB44,023,000), in which the respective amounts were also disclosed separately above.

(ii) During the six months ended 30 June 2026, cost of sales included staff costs, depreciation and amortisation expenses of RMB8,419,000 in total (six months ended 30 June 2025: nil), in which the respective amounts were also disclosed separately above.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

7 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.

(i) The Cayman Islands

Pursuant to the rules and regulations of the Cayman Islands, the Company is currently not subject to income tax.

(ii) Hong Kong, China

The Company's subsidiary incorporated in Hong Kong is subject to Hong Kong profits tax at 16.5% of the estimated assessable profits. No provision for Hong Kong profits tax had been made for the six months ended 30 June 2026 and 2025 as there were no assessable profits.

(iii) The USA

The Company's subsidiary incorporated in the USA is subject to Federal Tax at a rate of 21% and State Profits Tax at a rate of 0.75% — 8.70% (2025: 0.75% — 9.00%). Operations in the USA have incurred net accumulated operating losses for income tax purposes, and no income tax provisions had been made for the six months ended 30 June 2026 and 2025.

(iv) Chinese Mainland

No provision for Chinese Mainland income tax pursuant to the Corporate Income Tax Law of the People's Republic of China and the respective regulations has been made as the Group's subsidiaries which operate in Chinese Mainland are in loss position and have no estimated taxable profits.

Pursuant to the Corporate Income Tax Law of Chinese Mainland (the "CIT"), the Company's Chinese Mainland subsidiaries are subject to the CIT at a rate of 25%.

According to the new tax incentive policies promulgated by the State Tax Bureau of Chinese Mainland in March 2023, effective from 1 January 2023, an additional 100% of qualified research and development expenses incurred is allowed to be deducted from taxable income.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

8 LOSS PER SHARE

The calculation of basic loss per share for the six months ended 30 June 2026 is based on the loss attributable to ordinary equity shareholders of the Company of RMB2,549,000 (six months ended 30 June 2025: RMB129,637,000) and the weighted average of 421,579,000 ordinary shares (six months ended 30 June 2025: 375,387,000 ordinary shares) in issue during the interim period.

The calculation of diluted loss per share for the six months ended 30 June 2026 and 2025 has not included the potential effects of share options and restricted share units issued by the Company, as their inclusion would be anti-dilutive. Accordingly, diluted loss per share for the six months ended 30 June 2026 and 2025 are the same as basic loss per share.

9 INTANGIBLE ASSETS

	In-licensed rights *RMB'000*	Software *RMB'000*	Total *RMB'000*
Cost:			
At 1 January 2026	**120,094**	**8,945**	**129,039**
Exchange adjustments	**(2,574)**	**–**	**(2,574)**
At 30 June 2026	**117,520**	**8,945**	**126,465**
Accumulated amortisation:			
At 1 January 2026	**(618)**	**(7,287)**	**(7,905)**
Charge for the period	**(1,854)**	**(574)**	**(2,428)**
At 30 June 2026	**(2,472)**	**(7,861)**	**(10,333)**
Net book value:			
At 30 June 2026	**115,048**	**1,084**	**116,132**
At 1 January 2026	**119,476**	**1,658**	**121,134**
Cost:			
At 1 January 2025	122,512	7,807	130,319
Additions	–	223	223
Exchange adjustments	(508)	–	(508)
At 30 June 2025	122,004	8,030	130,034
Accumulated amortisation:			
At 1 January 2025	–	(5,211)	(5,211)
Charge for the period	–	(1,098)	(1,098)
At 30 June 2025	–	(6,309)	(6,309)
Net book value:			
At 30 June 2025	122,004	1,721	123,725
At 1 January 2025	122,512	2,596	125,108

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

9 INTANGIBLE ASSETS (Continued)

(a) In-licensed rights

The balance of in-licensed rights represents payments made to acquire development and commercialisation rights of drug products from third parties. Due to the inherent uncertainties in the research and development processes, these assets are particularly at risk of impairment if the projects are not expected to result in commercialised products. Key terms of these licenses are set out below:

(i) LAE001

On 30 June 2017, the Group entered into a license agreement with Novartis Pharma AG ("Novartis"), pursuant to which Novartis granted the Group an exclusive license to develop, manufacture and commercialise the licensed product LAE001 world widely.

Under the terms of the agreement, the Group made an one-time and non-refundable upfront payment of USD1 million (equivalent to RMB6.6 million) and granted 776,437 ordinary shares of the Company to Novartis (equaling to 7,764,370 shares after adjusting for the effect of the share subdivision upon the Listing). The Group capitalised an amount of USD1.8 million (equivalent to RMB12.2 million) in total. The Group also agreed to make regulatory milestone payments, as well as royalty payments on net sales to Novartis. As at 30 June 2026, LAE001 was not ready for commercial use.

(ii) LAE002 & LAE003

On 9 May 2018, the Group entered into a license agreement with Novartis, pursuant to which Novartis granted the Group an exclusive license to develop, manufacture and commercialise the licensed products LAE002 and LAE003 world widely.

Under the terms of the agreement, the Group made an one-time and non-refundable upfront payment of USD5 million (equivalent to RMB31.9 million) and granted 165,200 ordinary shares of the Company to Novartis (equaling to 1,652,000 shares after adjusting for the effect of the share subdivision upon the Listing). The Group capitalised an amount of USD5.2 million (equivalent to RMB33.5 million) in total. The Group also agreed to make clinical trial milestone payments, regulatory milestone payments, sales milestone payments, as well as royalty payments on net sales to Novartis.

In 2025, the Group entered into an exclusive license agreement with Qilu Pharmaceutical Company Limited for research, development, and commercialisation of LAE002 in China. Accordingly, the products started commercial use and relevant in-licensed rights commenced amortisation in 2025.

(iii) LAE005

On 4 February 2020, the Group entered into a license agreement with Novartis, pursuant to which Novartis granted the Group an exclusive license to develop, manufacture and commercialise the products LAE005 world widely.

Under the terms of the agreement, the Group made an one-time and non-refundable upfront payment of USD10 million (equivalent to RMB69.4 million) to Novartis and capitalised such payment. The Group also agreed to make clinical trial milestone payments, regulatory milestone payments, sales milestone payments, as well as royalty payments on net sales to Novartis. As at 30 June 2026, LAE005 was not ready for commercial use.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

10 FINANCIAL ASSETS AND LIABILITIES MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

(a) Financial assets at FVPL

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Warrant	**51,422**	–

During the six months ended 30 June 2026, the Group obtained a warrant to acquire a certain number of Vasque Bio, Inc.'s ordinary shares with nil consideration or cash payments in lieu of such ordinary shares, as part of the consideration of the exclusive license agreement. The warrant is measured at fair value through profit or loss.

(b) Financial liabilities at FVPL

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Contingent consideration payable	**540**	–

The contingent consideration payable represents the amounts payable to a third-party service provider for the license agreement mentioned above and will be settled upon the realisation of the warrant. The fair value of the contingent consideration payable is arrived at on the basis of the valuation of the warrant.

11 OTHER NON-CURRENT ASSETS

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Value-add tax recoverable	**13,379**	10,015
Prepayments for equipment	**1,109**	1,109
Refundable rental deposits	**615**	855
Others	**220**	271
	15,323	12,250

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

12 PREPAYMENTS AND OTHER RECEIVABLES

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Prepayments to suppliers	**20,020**	6,192
Other debtors and deposits	**3,609**	4,005
	23,629	10,197

13 PLEDGED DEPOSITS

As at 30 June 2026, deposits of RMB4,085,000 (2025: RMB4,053,000) were pledged to secure issuance of a bank letter of guarantee related to a future lease commitment with original maturity over one year and therefore classified as non-current assets.

As at 30 June 2026, deposits of RMB68,161,000 (2025: nil) were pledged to secure short-term bank loans and bank facilities granted to a subsidiary of the Company and therefore classified as current assets.

14 TIME DEPOSITS

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Bank deposits with original maturity over three months	**179,681**	19,073
Accrued interest	**979**	82
	180,660	19,155

15 CASH AND BANK BALANCES

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Cash at banks	**114,025**	113,785
Deposits with banks	**826,238**	1,126,983
Cash and cash equivalents in the consolidated cash flow statement	**940,263**	1,240,768
Accrued interest	**1,557**	2,450
Cash and bank balances in the consolidated statement of financial position	**941,820**	1,243,218

As at 30 June 2026, cash and cash equivalents of the Group situated in Chinese Mainland amounted to RMB242,744,000 (2025: RMB404,400,000). Remittance of funds out of Chinese Mainland is subject to relevant rules and regulations of foreign exchange control.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

16 BANK LOANS

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Secured bank loans	**5,500**	–
Unsecured bank loans	**147,602**	117,408
	153,102	117,408

As at 30 June 2026, the Group's bank loans carried interest at annual rates ranging from 0.95% to 3.85% (2025: 2.37% to 3.85%) per annum and were all repayable within one year.

17 OTHER PAYABLES

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Payroll payables	**1,192**	12,744
Accrued research and development expenses	**34,623**	54,937
Other payables and accrued charges	**6,466**	7,657
	42,281	75,338

All of the other payables are expected to be settled within one year or repayable on demand.

18 CONTRACT LIABILITIES

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
At the beginning of the period/year	**34,791**	–
Decrease in contract liabilities as a result of recognising revenue during the period/year that was included in the contract liabilities at the beginning of the period/year	**(150,277)**	–
Increase in contract liabilities as a result of billing in advance of performance	**119,646**	34,791
At the end of the period/year	**4,160**	34,791

The Group receives upfront payments before the provision of research and development service, and this will give rise to contract liabilities at the start of a contract, until the revenue recognised from provision of research and development service exceeds the amount of the upfront payments. The amount of the upfront payments was negotiated on a case-by-case basis with the respective customers.

All the contract liabilities are expected to be recognised as income within one year.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

19 EQUITY SETTLED SHARE-BASED TRANSACTIONS

(a) Share options

The Company adopted an employee share option scheme ("Pre-IPO Share Option Scheme") on 11 April 2018 (which was subsequently amended on 30 October 2019, 20 April 2021 and 31 March 2022), pursuant to which, the directors of the Company are authorised to issue share options to employees, directors, and advisors of the Group. Each option gives the holder the right to subscribe for one ordinary share of the Company.

(i) The terms and conditions of the grants are as follows:

	Number of instruments	Contractual life of options
Options granted to directors	19,953,020	10 years
Options granted to employees	26,600,000	10 years
Options granted to advisors	500,000	10 years
Total share options granted	47,053,020	

Unless otherwise approved by the Board of Directors, the Company adopted three vesting conditions for the above share options granted:

- 20% of the share options are expected to vest after twelve months of the grant date, and the remaining are expected to vest ratably over the following sixteen quarters;
- 40% of the share options are expected to vest after twenty-four months of the grant date, and the remaining are expected to vest ratably over the following twelve quarters; or
- 100% of the share options are expected to vest upon the grant date.

(ii) The movement of the number of share options are as follows:

	Six months ended 30 June	
	2026	2025
	'000	*'000*
Outstanding at the beginning of the period	**24,760**	32,557
Exercised during the period	**(1,029)**	(7,214)
Forfeited during the period	**(70)**	(409)
Outstanding at the end of the period	**23,661**	24,934
Exercisable at the end of the period	**21,663**	19,566

All the share options granted are exercisable upon vesting and after the occurrence of an initial public offering ("IPO") of the Company's shares unless otherwise approved by the Board of Directors, and will expire on or before the latter of (1) the third anniversary after the aforementioned occurrence of IPO, and (2) the tenth anniversary after the commencement date as indicated in the relevant offer letters signed between the grantees and the Company. The share options outstanding at 30 June 2026 had a weighted average exercise price of USD0.20 (31 December 2025: USD0.21), and an weighted average remaining contractual life of 4.3 years (31 December 2025: 4.7 years).

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(Expressed in Renminbi unless otherwise indicated)

19 EQUITY SETTLED SHARE-BASED TRANSACTIONS (Continued)

(a) Share options (Continued)

(iii) Fair value of share options

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on a binomial lattice model. The contractual life of the share option is used as an input into this model. Expectations of early exercise are incorporated into the binomial lattice model.

During the six months ended 30 June 2026, total expenses recognised in the consolidated statement of profit or loss for the above transactions were RMB1,771,000 (six months ended 30 June 2025: RMB4,437,000).

(b) Restricted share units

The Company further adopted a post-IPO share award scheme ("Share Award Scheme"), as approved by the resolution of shareholders on 14 June 2024, pursuant to which, maximum number of 39,010,035 ordinary shares are authorised for issuance of restricted share units ("RSUs") to employees, directors and service providers of the Group. The Share Award Scheme shall be effective for 10 years commencing on 14 June 2024. As at 30 June 2026, 38,023,500 RSUs were granted by the Company to directors and employees of the Group under the Share Award Scheme.

(i) The terms and conditions of the grants are as follows:

	Number of RSUs	Vesting conditions	Price per RSUs *RMB*
RSUs granted to directors	16,950,000	Graded vest of one fourth per year over four years from announcement date	Nil
RSUs granted to employees	21,073,500	Graded vest of one fourth per year over four years from announcement date	Nil
Total RSUs granted	38,023,500		

(ii) The movement of the number of RSUs outstanding are as follows:

	Six months ended 30 June	
	2026 ***'000***	2025 *'000*
Balance at the beginning of the period	**19,650**	11,240
Granted during the period	**15,324**	11,460
Forfeited during the period	**–**	(300)
Vested during the period	**(2,865)**	–
Balance at the end of the period	**32,109**	22,400

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(Expressed in Renminbi unless otherwise indicated)

19 EQUITY SETTLED SHARE-BASED TRANSACTIONS (Continued)

(a) Share options (Continued)

(iii) Fair value of restricted shares granted

The grant-date fair value of the RSUs granted is measured based on the closing price of the Company's shares at the respective grant date.

During the six months ended 30 June 2026, total expenses recognised in the consolidated statement of profit or loss and other comprehensive income for the above transactions were RMB59,030,000 (six months ended 30 June 2025: RMB31,426,000).

20 CAPITAL, RESERVES AND DIVIDENDS

(a) Share capital and share premium

As at 30 June 2026, the authorised share capital of the Company was USD50,000 divided into 5,000,000,000 ordinary shares with par value of USD0.00001 each.

Details of the movement of the issued and fully paid share capital of the Company are as follows:

	No. of shares *'000*	Share capital *RMB'000*	Treasury shares *RMB'000*
Ordinary shares, issued and fully paid:			
At 1 January 2025	407,736	28	(2)
Shares issued by placing, net of issuance costs (i)	36,000	3	–
Exercise of share options (ii)	–	–	–*
Vesting of restricted share units (iii)	2,730	–*	–
At 31 December 2025 and 1 January 2026	446,466	31	(2)
Exercise of share options (iv)	–	–	–*
Vesting of restricted share units (v)	2,865	–*	–
At 30 June 2026	449,331	31	(2)

* The balances represent amounts less than RMB1,000.

(i) On 17 September 2025, the Company issued 36,000,000 ordinary shares at an offer price of HK$16.30 per share. Net proceeds from the placing amounted to RMB527,834,000 equivalent, after deducting issuance costs. Out of the net proceeds, RMB3,000 and RMB527,831,000 were credited to the Company's share capital and share premium account, respectively.

(ii) During the year ended 31 December 2025, 7,363,700 vested share options were exercised and accordingly, 7,363,700 ordinary shares with a par value of USD0.00001 were deducted from the treasury shares.

(iii) During the year ended 31 December 2025, 2,730,000 restricted share units were vested by the grantees of Share Award Scheme.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

20 CAPITAL, RESERVES AND DIVIDENDS (Continued)

(a) Share capital and share premium (Continued)

(iv) During the six months ended 30 June 2026, 1,029,000 vested share options were exercised and accordingly, 1,029,000 ordinary shares with a par value of USD0.00001 were deducted from the treasury shares.

(v) During the six months ended 30 June 2026, 2,865,000 restricted share units were vested by the grantees of Share Award Scheme.

(b) Dividends

The directors of the Company did not propose any dividend during the six months ended 30 June 2026 (six months ended 30 June 2025: nil).

21 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

(a) Fair values of financial assets and liabilities measured at fair value

(i) Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

	Fair value at 30 June 2026	Fair value measurements categorised into		
		Level 1	Level 2	Level 3
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Recurring fair value measurement				
Financial assets:				
Warrant	51,422	–	–	51,422
Financial liabilities:				
Contingent consideration payable	540	–	–	540

During the six months ended 30 June 2026, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3 (2025: nil). The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of each of the reporting period in which they occur.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

21 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

(a) Fair values of financial assets and liabilities measured at fair value (Continued)

(ii) Information about Level 3 fair value measurements

	Valuation techniques	Significant unobservable inputs	Range
Warrant	Back-solve method and option pricing model	Volatility Risk-free rate	41.8% (2025: nil) 4.4% (2025: nil)
Contingent consideration payable	Back-solve method and option pricing model	Volatility Risk-free rate	41.8% (2025: nil) 4.4% (2025: nil)

The movements during the reporting periods in the balance of these Level 3 financial assets and liabilities of the Group at fair value through profit or loss are as follows:

	Six months ended 30 June	
	2026	2025
	'000	*'000*
Warrant:		
At 1 January	**–**	–
Addition	**51,487**	–
Exchange difference	**(65)**	–
At 30 June	**51,422**	–

	Six months ended 30 June	
	2026	2025
	'000	*'000*
Contingent consideration payable:		
At 1 January	**–**	–
Addition	**540**	–
At 30 June	**540**	–

(b) Fair values of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at amortised cost were not materially different from their fair values as at 30 June 2026 and 31 December 2025.

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(Expressed in Renminbi unless otherwise indicated)

22 COMMITMENTS

Commitments outstanding at 30 June 2026 not provided for in the interim financial report:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Contracted for acquisition of property, machinery, and equipment and intangible assets	**3,040**	2,860

In addition, the Group was committed at 30 June 2026 and 31 December 2025 to enter into a new lease that is not yet commenced, the lease payments under which amounted to RMB1,296,000 per annum for the first three years and RMB1,692,000 per annum for the fourth and fifth years.

23 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

In July 2026, the Company repurchased a total of 219,000 shares on the Stock Exchange of Hong Kong Limited, which were held as treasury shares and the Company is planning to cancel the repurchased shares. As at the date of this report, such cancellation is not yet completed.

In August 2026, the filing of new drug application for LAE002 has been accepted by the Center for Drug Evaluation of China's National Medical Products Administration. Pursuant to the exclusive license agreement entered by the Group and Qilu Pharmaceutical Company Limited in November 2025, the Group is entitled to receive further milestone payments upon meeting the conditions set out in the agreement.

24 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS, AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE SIX MONTHS ENDED 30 JUNE 2026

A number of amendments and new standards are not yet mandatory for annual periods beginning 1 January 2026. Earlier application is permitted; however, the Group has not early adopted any new or amended standards in preparing this interim financial report.

The following updates the information provided in the last annual financial statements about the possible impacts of IFRS 18 which may have a significant impact on the Group's consolidated financial statements when adopted.

IFRS 18, *Presentation and disclosure in financial statements*

IFRS 18 will replace IAS 1, *Presentation of financial statements* and aims to improve the transparency and comparability of information about an entity's financial statements. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under IFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Group does not plan to early adopt IFRS 18 and is still in the process of assessing the impact of the adoption.