Abbisko Cayman Limited
和譽開曼有限責任公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2256)

(1) ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2024; (2) CHANGE IN USE OF NET PROCEEDS; (3) INSIDE INFORMATION; AND (4) CHANGE IN COMPOSITION OF THE BOARD

The Board announces on March 3, 2025:

(1) the consolidated annual results of the Company and its subsidiaries for the year ended December 31, 2024, together with comparative figures for the year ended December 31, 2023;

(2) to change the use of unutilised net proceeds from the Global Offering;

(3) that Dr. Chen Zhui (陳椎) has resigned as an executive Director of the Company with effect from March 3, 2025, and our other current chief scientific officer and our executive Director, Dr. Yu Hongping (喻紅平), will continue to lead our R&D efforts;

(4) that Dr. Xu Yao-Chang, Dr. Yu Hongping and Dr. Chen Zhui entered into a Termination Agreement to terminate the Acting-in-concert Agreement with effect from March 3, 2025; and

(5) that Dr. Ji Jing (嵇靖) has been appointed as an executive Director of the Company with effect from March 3, 2025.

The board of directors (the "**Board**") of Abbisko Cayman Limited (the "**Company**") is pleased to announce the consolidated annual results of the Company and its subsidiaries (the "**Group**", "**we**", "**our**" or "**us**") for the year ended December 31, 2024 (the "**Reporting Period**"), together with comparative figures for the year ended December 31, 2023.

BUSINESS HIGHLIGHTS

We have made significant progress across multiple aspects during 2024 and as at March 3, 2025:

IMPORTANT MILESTONES FOR OUR LEAD ASSET PIMICOTINIB (ABSK021), CSF-1R INHIBITOR

Positive Top-Line Results from Global Phase III Study in tenosynovial giant cell tumor ("TGCT")

- In November 2024, we announced positive top-line results from the global phase III MANEUVER study of pimicotinib in patients with TGCT, demonstrating an objective response rate ("**ORR**") at Week 25 of 54.0% for pimicotinib versus 3.2% for placebo ($p<0.0001$) based on RECIST v1.1 per Blinded Independent Review Committee ("**BIRC**"). Treatment with oral, once-daily pimicotinib was well-tolerated with very low rates of discontinuation due to treatment-related adverse events, and with no evidence of cholestatic hepatotoxicity. The positive results represent an important milestone for patients, pimicotinib, and the Company.

Favourable Long-term Study Results from Phase Ib in TGCT

- In November 2024, we announced updated results from the phase Ib study of pimicotinib in patients with TGCT at the Connective Tissue Oncology Society ("**CTOS**") 2024 Annual Meeting. As at June 30, 2024, updated data from the 42 patients who received the 50mg dose of pimicotinib achieved a best ORR of 85.0% based on RECIST v1.1 per Independent Review Committee ("**IRC**") with a median duration of treatment of 20.67 months (0.5, 30.1).

Promising Preliminary Phase II Study Results in chronic graft versus host disease ("cGvHD")

- In December 2024, we presented preliminary phase II study results for pimicotinib in the treatment of patients with cGvHD during an oral presentation at the 66th American Society of Hematology ("**ASH**") Annual Conference. Despite most enrolled patients having not yet completed the six-month treatment cycle as defined as the primary endpoint, preliminary data from the subset of patients receiving 20mg QD show that pimicotinib achieved an ORR of 64%. Data suggest the potential for improved outcomes with longer-term treatment. The results also show that pimicotinib is well tolerated in heavily pre-treated patients with cGvHD, and the majority of adverse events were Grade 1 and reversible.

HIGHLIGHTS OF OUR OTHER KEY CLINICAL ASSETS

Irpagratinib (ABSK011), FGFR4 Inhibitor

*China CDE Approval to Initiate a Registrational Clinical Study in Hepatocellular Carcinoma ("**HCC**")*

- In December 2024, we received China's Center for Drug Evaluation ("**China CDE**") approval to conduct a registrational study of irpagratinib for the treatment of patients with advanced or unresectable HCC with FGF19 overexpression.

Positive Proof-of-Concept Study Results for both Monotherapy and Combination Therapy

- In September 2024, we presented updated phase I clinical data of irpagratinib at European Society for Medical Oncology ("**ESMO**") 2024. The irpagratinib 220mg BID cohort achieved an ORR of 44.8%, median progression-free survival ("**mPFS**") of 5.5 months, and median duration of response ("**mDoR**") of 7.4 months in patients with FGF19+ advanced HCC who have received prior lines of therapy, including immune checkpoint inhibitors ("**ICIs**") and multi-target tyrosine kinase inhibitors ("**mTKIs**").

- In June 2024, we presented preliminary phase II study results of irpagratinib in combination with atezolizumab at the 2024 European Society for Medical Oncology Gastrointestinal Cancers Congress ("**ESMO-GI Congress**"). The irpagratinib 220mg BID in combination with atezolizumab cohort achieved an ORR of 50% in FGF19+ advanced HCC patients.

ABSK043, Oral PD-L1 Inhibitor

Robust Anti-Tumor Activity and Favourable Safety Observed from Updated Phase I Study

- In December 2024, we presented updated phase I study results of ABSK043 during an oral presentation at European Society For Medical Oncology Asia Congress 2024 ("**ESMO Asia 2024**"). Among the 49 response-evaluable IO-naïve patients, ABKS043 achieved an ORR of 20.4% at active doses (600-1000mg BID). Within the evaluable set of patients, 15 IO-naïve patients with non-small cell lung cancer ("**NSCLC**") achieved an ORR of 33.3% and a DCR of 73.3%. Greater levels of efficacy were observed in NSCLC patients with high PD-L1 expression (TPS≥50%), demonstrating an ORR of 41.7%, including those with EGFR or KRAS mutations. Safety and tolerability were notable as well. Among the 90 patients who had received ABSK043, no interstitial lung disease ("**ILD**") was observed and only 8.9% of patients reported Grade 3 or higher treatment-related adverse events ("**TRAEs**"),.

First Patient Dosed in a Phase II Oral+Oral (PD-L1+EGFR Inhibitor) Combination Study for NSCLC

- In December 2024, we dosed the first patient in a phase II clinical study of ABSK043 in combination with furmonertinib (third-generation EGFR TKI) for the treatment of patients with EGFR-mutant NSCLC.

ABSK061, FGFR2/3 Inhibitor

Encouraging First-In-Human Data for the Treatment of Solid Tumors

- In February 2024, preliminary results from the first-in-human study of ABSK061 in patients with advanced solid tumors were presented during an oral presentation at the 2024 European Society for Medical Oncology Targeted Anticancer Therapies Congress ("**ESMO TAT**"). The ABSK061 75mg BID and 150mg QD cohorts demonstrated promising anti-tumor activity, achieving an ORR of 37.5% in 8 patients with solid tumors harboring FGFR activating alterations.

First Patient Dosed in Phase II Combination Study

- In November 2024, we dosed the first gastric cancer patient as part of a phase II clinical study of ABSK061 in combination with ABSK043 (our internally developed oral PD-L1 inhibitor) for the treatment of solid tumors.

*Expanding into Non-Oncology with IND Filing for Achondroplasia ("**ACH**")*

- In December 2024, we submitted the IND application of ABSK061 for the treatment of ACH to the National Medical Products Administration of the People's Republic of China ("**China NMPA**").

UPDATES FROM OUR EARLY-STAGE CANDIDATES

IND Clearance Obtained for ABK3376 and ABSK131

- **ABK3376 (AST2303)** is a highly potent, selective, and brain-penetrating new-generation EGFR inhibitor that was discovered by our proprietary drug discovery platform and currently in an ongoing collaboration with Shanghai Allist Pharmaceuticals Co., Ltd ("**Allist**"). In September 2024, ABK3376 (AST2303) was cleared by the China NMPA for a phase I study for the treatment of patients with NSCLC harboring the EGFR-C797S mutation.

- **ABSK131** is a potent and selective next-generation MTA-cooperative PRMT5 inhibitor with brain-penetrating properties. Our molecule was discovered through leveraging advanced computation-aided structural analysis and medicinal chemistry design, and will potentially feature improved potency, selectivity, and brain-penetrating activity. We presented our preclinical research progress for ABSK131 in October 2024 at the EORTC-NCI-AACR Conference. The US Food and Drug Administration ("**US FDA**") cleared the IND application for ABSK131 in December 2024, and we submitted the IND application to the China NMPA in December 2024.

Other Selected Promising Pre-Clinical Projects

ABSK141 is a novel, potent, and highly orally bioavailable small-molecule KRAS-G12D inhibitor. We presented our preclinical research progress for ABSK141 in October 2024 at the EORTC-NCI-AACR Conference. In preclinical studies, ABSK141 demonstrates high binding affinity, good biochemical activity and strong anti-tumor activity in multiple KRAS-G12D xenograft models. We are currently conducting IND-enabling studies for ABSK141.

FINANCIAL HIGHLIGHTS

We recorded positive net profit for the first time. For the year ended December 31, 2024, the Group has generated revenue of RMB504.0 million (USD70.0 million, representing Merck Healthcare KGaA ("**Merck**")'s licensing revenue we received, and USD1.0 million, representing Allist's milestone payment we received), with a profit of RMB28.3 million.

We repurchased and cancelled shares to enhance shareholder value. On March 13, 2024, the board of directors approved an amount of no more than HKD100.0 million for share repurchase to enhance shareholder value. For the year ended December 31, 2024, the Company has repurchased and cancelled a total of 22,594,000 shares (accounting for 3.22% of the total issued shares as at January 1, 2024), with a cumulative amount of HKD68.7 million.

We have substantial cash reserve on hand. As at December 31, 2024, our balances of cash and bank balances (including time deposits over three months, pledged time deposits and cash and cash equivalents) is RMB1,959.2 million, a slight decrease of RMB12.3 million from RMB1,971.5 million as at December 31, 2023. The slight decrease of cash was due to higher spending on research and development activities and share repurchases, offsetting the increase in revenue.

	2024	2023	Changes	Year-on-Year change
	RMB'000	*RMB'000*	*RMB'000*	*%*
Revenue	**503,992**	19,060	484,932	2,544%
Gross profit	**503,992**	19,060	484,932	2,544%
Research and development expenses	**(451,376)**	(433,736)	(17,640)	4%
Profit/(Loss) for the year	**28,302**	(431,583)	459,885	107%
Adjusted profit/(loss) for the year (as illustrated under "**Non-IFRS Measures**")	**49,041**	(384,185)	433,226	113%

	December 31, 2024	December 31, 2023	Changes	Year-on-Year change
	RMB'000	*RMB'000*	*RMB'000*	*%*
Time deposits over three months, pledged time deposits and cash and cash equivalents	**1,959,188**	1,971,491	(12,303)	(1%)

IFRS Measures:

- Revenue amounted to RMB504.0 million for the year ended December 31, 2024, mainly representing licensing revenue to Merck.

- Research and development expenses increased by RMB17.7 million to RMB451.4 million for the year ended December 31, 2024, from RMB433.7 million for the year ended December 31, 2023. The increase was primarily attributable to the advancement of our pipeline programs.

Non-IFRS Measures:[1]

	2024	2023	Changes	Year-on-Year change
	RMB'000	*RMB'000*	*RMB'000*	*%*
Profit/(Loss) for the year	**28,302**	(431,583)	459,885	107%
Add:				
Share-based payment expenses	**20,739**	47,398	(26,659)	(56%)
Adjusted profit/(loss) for the year	**49,041**	(384,185)	433,226	113%

1 Adjusted profit/(loss) for the year represents the profit/(loss) for the year excluding the effect of certain non-cash items, namely share-based payment expenses. The term adjusted profit/(loss) for the year is not defined under the IFRS. The use of this non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for analysis of, the Group's results of operations or financial condition as reported under IFRS. The Company's presentation of such adjusted figure may not be comparable to a similarly titled measure presented by other companies. However, the Company believes that this and other non-IFRS measures are reflections of the Group's normal operating results by eliminating potential impacts of items that the management do not consider to be indicative of the Group's operating performance, and thus facilitate comparisons of operating performance from period to period and company to company to the extent applicable.

I. BUSINESS REVIEW

Our vision

To discover and develop novel, differentiated therapies in oncology and beyond to address critical unmet medical needs for patients in China and worldwide.

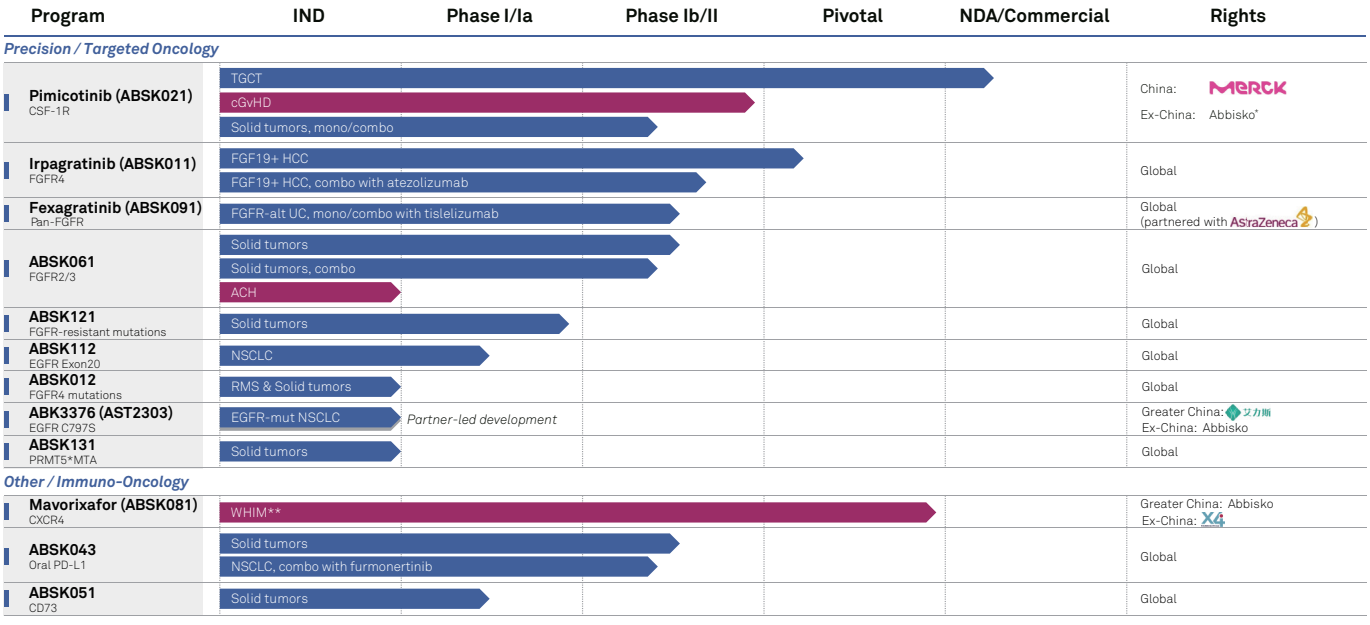
Company overview

We are a clinical-stage biopharmaceutical company committed to the research, discovery, and development of innovative and differentiated medicines designed to address unmet medical needs in China and globally. Since our establishment in 2016, we have strategically built a robust pipeline of 19 program candidates, with a primary focus on oncology. Among these, 12 candidates are currently in clinical development stages. Our product portfolio is centered on small molecules, emphasizing precision oncology and immuno-oncology, with a growing exploration of indication expansions into non-oncology therapeutic areas. Through our dedication to scientific innovation, we aim to deliver transformative therapies that improve patient outcomes worldwide.

Product pipeline

We have a pipeline of 19 drug candidates ranging from pre-clinical stage to clinical stage programs. The following charts summarize our pipeline and development status for each candidate as at December 31, 2024.

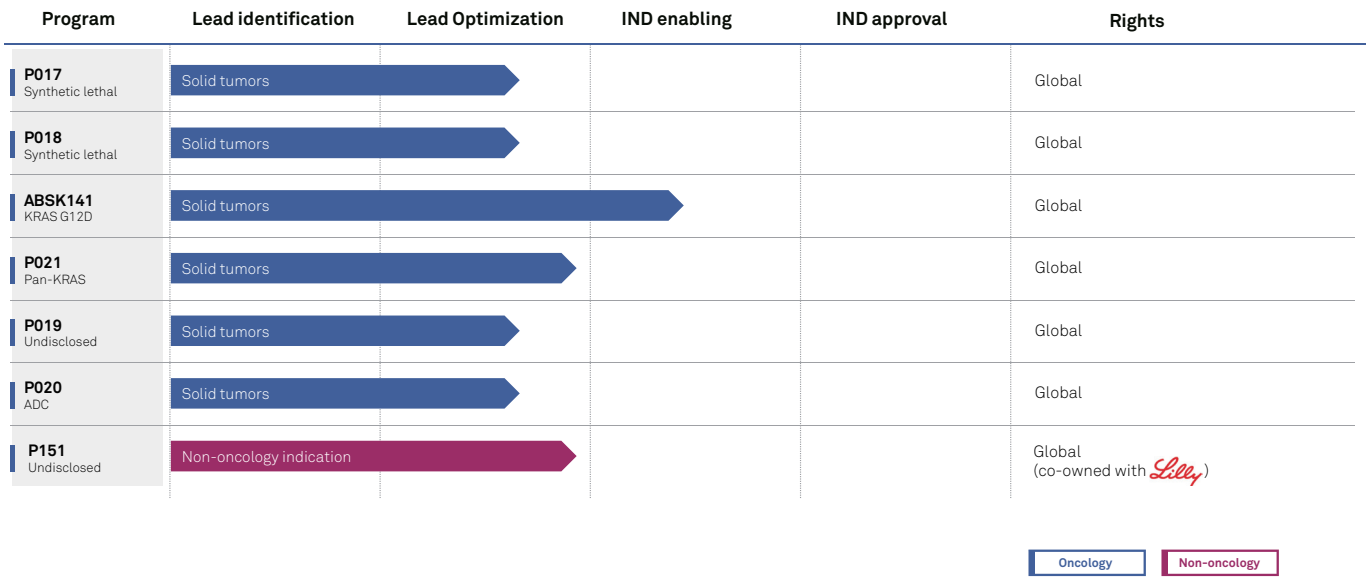
Our Clinical Pipeline



* Merck has an exclusive option for ex-China rights.

** X4 has obtained the market approval of Xolremdi (mavorixafor) from the US FDA for patients 12 years of age and older with WHIM syndrome.

Our Preclinical Pipeline



Notes:

Abbreviations: cGvHD = chronic graft-versus-host disease; FGFRalt = FGFR altered; HCC=hepatocellular carcinoma; NSCLC = non-small cell lung cancer; RMS = rhabdomyosarcoma; TGCT = tenosynovial giant cell tumor; UC = urothelial cancer; WHIM = warts, hypogammaglobulinemia, infections and myelokathexis

Clinical Stage Assets

- **Pimicotinib (ABSK021), CSF-1R Inhibitor**

  Pimicotinib is an orally bioavailable, selective, and potent small molecule CSF-1R inhibitor in development for the treatment of oncology and non-oncology indications. Overexpression of CSF-1 is commonly observed in tumors and at sites of inflammation. CSF-1R inhibitors have demonstrated promise as a potential treatment for indications including, but not limited to, TGCT, cGvHD, pancreatic cancer, colorectal cancer and amyotrophic lateral scierosis ("**ALS**").

  Pimicotinib was the first CSF-1R inhibitor developed in China to enter into a global, multi-center phase III clinical trial for TGCT, MANEUVER. We announced positive topline results of the MANEUVER study in November 2024. Pimicotinib has been granted Breakthrough Therapy Designation ("**BTD**") by both the China NMPA and the US FDA, as well as PRIME designation by the European Medicines Agency ("**EMA**"), for the treatment of TGCT patients who are not amenable to surgery. Additionally, pimicotinib has received Fast Track Designation ("**FTD**") from the US FDA and Orphan Drug Designation ("**ODD**") from the EMA for the treatment of TGCT.

  We are also conducting a clinical study in patients with cGvHD as part of our indication expansion efforts. cGvHD is a clinicopathological syndrome that occurs when donor lymphocytes attack the recipient's organs following allogeneic hematopoietic stem cell transplantation ("**HSCT**"). In many cases, cGvHD can persist for several months to years, significantly impacting patient quality of life. Preliminary phase II data and recent clinical experience suggest that pimicotinib represents a promising potential therapeutic option for the management of cGvHD.

In addition, we are conducting an ongoing phase II clinical study of pimicotinib in combination with chemotherapy, and with or without toripalimab in patients with advanced pancreatic cancer in China.

Recent Progress for TGCT

In April 2024, we completed patient enrollment for our global phase III MANEUVER study of pimicotinib for the treatment of TGCT. A total of 94 patients were enrolled, exceeding the original target of 90. The study is being conducted across more than 30 investigational sites worldwide, with patients from Europe and North America comprising more than half of total enrolled patients. This phase III trial is a randomized, double-blind, placebo-controlled, multicenter study, marking the first global phase III trial for TGCT to be conducted simultaneously in China, the US, Canada, and Europe.

In November 2024, we announced positive topline results from our phase III MANEUVER study of pimicotinib in patients with TGCT. Pimicotinib met the primary endpoint with an ORR at Week 25 of 54.0% compared to 3.2% for placebo ($p<0.0001$) based on RECIST v1.1 per BIRC. Pimicotinib also demonstrated statistically significant and clinically meaningful improvements versus placebo across all key secondary endpoints, including ORR per tumor volume score, active range of motion, stiffness, pain, and physical function. Treatment with oral, once-daily pimicotinib was well-tolerated, with very low rates of discontinuation due to treatment-related adverse events.

In November 2024, we also announced long-term follow-up results from the phase Ib study of pimicotinib in patients with TGCT at the CTOS 2024 Annual Meeting. As at June 30, 2024, updated data from 42 patients who received the 50 mg QD dose of pimicotinib demonstrated a best ORR of 85.0% based on RECIST v1.1 per IRC with a median duration of treatment of 20.67 months (0.5, 30.1). The overall safety profile of pimicotinib remained consistent, with no distinct adverse events emerging with long-term follow-up and no evidence of cholestatic hepatotoxicity.

In November 2024, we presented model-informed dose selection results for pimicotinib for the treatment of TGCT at the American Conference on Pharmacometrics ("**AcoP**") 2024. The study integrated a variety of parameters including drug pharmacokinetics, safety, and efficacy data to guide model-informed dose selection. These results support 50 mg QD as the recommended dose of pimicotinib for the global development and treatment of TGCT.

Recent Progress for cGvHD

In December 2024, we presented preliminary phase II study results of pimicotinib for the treatment of cGvHD during an oral presentation at the 66th ASH Annual Meeting. As at November 22, 2024, a preliminary 64% ORR was observed in the subset of patients receiving pimicotinib 20mg QD, with responses observed in all affected organs, including the gastrointestinal tract, oral cavity, eyes, liver, joints and fascia, esophagus, skin, and lungs. As at the data cut-off date, the majority of enrolled patients have not yet completed the 6-month treatment cycle to determine the primary endpoint of the study, suggesting the potential for improved outcomes with longer-term treatment with pimicotinib. The results also show that pimicotinib is well tolerated in heavily pre-treated patients with cGvHD, and the majority of adverse events were Grade 1 and reversible.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET ABSK021 SUCCESSFULLY.

- **Irpagratinib (ABSK011), FGFR4 Inhibitor**

  Irpagratinib is a potent and highly selective small-molecule inhibitor of FGFR4, currently in development for the treatment of patients with advanced HCC characterized by hyperactivation of the FGF19/FGFR4 signaling pathway. The FGFR4 signaling pathway represents a promising target for molecularly targeted therapies in HCC. Approximately 30% of HCC patients worldwide exhibit overexpression of FGF19/FGFR4. To date, no FGFR4 inhibitor has been commercially approved.

  We believe irpagratinib represents a new and novel mechanism for the treatment of HCC, and we are actively conducting clinical trials of irpagratinib as monotherapy and in combination with other therapies in late- and first-line treatment settings for HCC.

  Recent progress of irpagratinib is as follows:

  Monotherapy

  In December 2024, we received approval from the China CDE of the NMPA to initiate a registrational clinical trial for irpagratinib. The approved registrational clinical trial is designed as a multi-center, randomized, double-blind study designed to evaluate the efficacy and safety of irpagratinib in combination with Best Supportive Care ("**BSC**") versus placebo in combination with BSC in patients with advanced or unresectable HCC who have FGF19 overexpression and who have previously received systemic therapy.

  In September 2024, we presented updated phase I clinical safety and efficacy results for irpagratinib in patients with previously treated aHCC at ESMO Congress 2024. The irpagratinib 220mg BID cohort demonstrated an ORR of 44.8%, mDoR of 7.4 months, and mPFS of 5.5 months in FGF19+ advanced HCC patients who have received ICI and mTKI therapies in prior lines of treatment.

  In April 2024, irpagratinib was granted ODD by US FDA for the treatment of HCC.

  Combination with Atezolizumab

  We are conducting a phase II trial of irpagratinib in combination with the anti-PD-L1 antibody, atezolizumab, in patients with advanced HCC with FGF19 overexpression in the China.

  In June 2024, we presented updated phase II clinical trial results investigating irpagratinib in combination with atezolizumab for the treatment of advanced HCC at the 2024 ESMO-GI Congress. Irpagratinib 220mg BID in combination with atezolizumab demonstrated an ORR of 50% in FGF19+ HCC patients. This study is still ongoing and the efficacy of the BID cohorts warrants further investigation.

  In April 2024, we presented preclinical combination study results of irpagratinib during an oral presentation at the 2024 AACR Annual Meeting. Study results illustrate broad synergistic and combinatory anti-tumor effects of irpagratinib with various other therapeutic agents in preclinical HCC models.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET ABSK011 SUCCESSFULLY.

- **ABSK043, Oral PD-L1 Inhibitor**

  ABSK043 is an orally bioavailable, highly selective small molecule PD-L1 inhibitor in development for the treatment of various cancers, as well as potential non-oncology indications.

  While anti-PD-1/anti-PD-L1 antibody therapies have significantly advanced cancer treatment, antibody-based immunotherapies are associated with a number of limitations, including lack of oral bioavailability, immunogenicity, and higher distribution and manufacturing cost. Such challenges may be addressed with small molecule inhibitors, offering potential advantages in terms of efficacy, safety, and cost-effectiveness.

  We are conducting a phase I study of ABSK043 in Australia and China, and concurrently exploring various combination therapy clinical strategies.

  Recent progress of ABSK043 is as follows:

  Monotherapy

  We are conducting a phase I study in Australia to assess the safety, tolerability, and PK/PD profile of ABSK043 in patients with solid tumors. The study is expected to complete soon.

  We are also conducting a phase Ib trial in China for patients with solid tumors.

  In December 2024, we presented updated phase I study results of ABSK043 during an oral presentation at ESMO Asia 2024. Among the 49 response-evaluable IO-naïve patients, ABKS043 achieved an ORR of 20.4% at active doses (600-1000mg BID). Within the set of patients, 15 IO-naïve patients with NSCLC achieved an ORR of 33.3% and a DCR of 73.3%. Greater levels of efficacy were observed in NSCLC patients with high PD-L1 expression (TPS≥50%), demonstrating an ORR of 41.7%, including those with EGFR or KRAS mutations. Safety and tolerability were notable as well. Among the 90 patients who had received ABSK043, no ILD was observed and only 8.9% of patients reported Grade 3 or higher TRAEs.

  Combination with Furmonertinib

  In December 2024, we dosed the first patient in an open-label phase II dose-escalation and dose expansion study to evaluate the efficacy and safety of ABSK043 in combination with furmonertinib in patients with EGFR-mutated, locally advanced or metastatic NSCLC. The combination of ABSK043 and furmonertinib is expected to improve therapeutic outcomes by not only stimulating the immune system but also directly interfering with tumor cell proliferation, potentially leading to a more robust and sustained anti-tumor response.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET ABSK043 SUCCESSFULLY.

- **ABSK061, FGFR2/3 Inhibitor**

  ABSK061 is an orally bioavailable, highly potent, and selective small molecule inhibitor targeting FGFR2/3. By specifically reducing FGFR1 activity, ABSK061 may minimize off-target adverse effects and offer a broader therapeutic window compared to non-selective FGFR inhibitors. These advantages could potentially lead to improved treatment outcomes in oncology and non-oncology indications, such as ACH. ACH is a common form of human dwarfism characterized by rhizomelic limb shortening and relative macrocephaly, with the majority of cases caused by point mutations in the FGFR3 gene.

  ABSK061 is the first FGFR2/3 inhibitor to enter clinical studies globally, and we believe it has the potential to be a next-generation FGFR inhibitor due to its improved selectivity compared to currently marketed pan-FGFR inhibitors.

  Recent Progress for Oncology Indication

  Monotherapy

  We are conducting phase I clinical trials for ABSK061 in patients with solid tumors in both China and the US.

  In February 2024, preliminary results from the first-in-human study of ABSK061 in patients with advanced solid tumors were presented during an oral presentation at the 2024 ESMO TAT conference. The ABSK061 75mg BID and 150mg QD cohorts demonstrated promising anti-tumor activity, achieving an ORR of 37.5% in with patients with solid tumors harboring FGFR-activating alterations.

  Combination with ABSK043

  In November 2024, we dosed the first gastric cancer patient as part of a phase II clinical study of ABSK061 in combination with ABSK043, our internally developed oral PD-L1, for treatment of solid tumors.

  In previous studies, both drugs demonstrated robust anti-tumor activity, a favorable safety profile, and low-risk of drug interaction, supporting the exploration of ABSK061 in combination with ABSK043 in advanced solid tumors with FGFR alterations.

  Recent Progress for ACH

  In December 2024, we submitted an IND application for the treatment of ACH to the China NMPA.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET ABSK061 SUCCESSFULLY.

- **Fexagratinib (ABSK091/AZD4547), Pan-FGFR Inhibitor**

  Fexagratinib, previously known as AZD4547, is a potent and selective inhibitor of FGFR subtypes 1, 2 and 3. In November 2019, we entered into an exclusive license agreement with AstraZeneca AB ("**AstraZeneca**") to obtain the global rights for the development, manufacturing and commercialization of fexagratinib. Previous clinical experience with fexagratinib demonstrated promising efficacy in a variety of cancers, including advanced urothelial carcinoma and gastric cancer.

  Current Status

  We are conducting a phase II monotherapy study of fexagratinib for the treatment of patients with urothelial carcinoma, and a phase II study in combination with tislelizumab for the treatment of patients with urothelial carcinoma in mainland China.

  Preliminary phase II efficacy and safety results of fexagratinib were presented in patients with urothelial carcinoma harboring FGFR2 or FGFR3 alterations in 2022. Fexagratinib achieved a confirmed ORR of 30.7% (4/13) in mUC patients with FGFR3 alteration (including mutations and/or fusions), and a confirmed ORR of 44% (4/9) in patients with FGFR3 mutations, which is consistent with results from the prior BISCAY trial of fexagratinib in similar patients outside of China. The preliminary safety results showed that 80mg BID fexagratinib was well-tolerated in Chinese patients, and no drug-related grade 4 or above adverse effects were reported.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET ABSK091 SUCCESSFULLY.

- **ABSK121, FGFR1-3 Resistant Mutations Inhibitor**

  ABSK121 is a highly selective, next-generation small molecule FGFR inhibitor that targets both wild-type and mutations of FGFR1-3, including those resistant to currently approved and clinical-stage FGFR inhibitors. ABSK121 can potentially bring clinical benefits to patients who have relapsed or have seen disease progression following initial treatment with first-generation FGFR inhibitors. In preclinical studies, ABSK121 demonstrated strong potency against wild-type and various mutations of FGFR1-3, and showed robust in vivo efficacy in FGFR dependent and FGFR-mutant dependent models.

  Current Status

  We are concurrently conducting phase I clinical trials in China and the US for the treatment of patients with advanced solid tumors. First-patient dosing was completed in China in June 2023.

WE MAY NOT ABLE TO ULTIMATELY DEVELOP AND MARKET ABSK121 SUCCESSFULLY.

- **ABSK112, EGFR Exon20ins Inhibitor**

  ABSK112 is a next-generation EGFR Exon20ins inhibitor with improved selectivity over wild-type EGFR and strong brain-penetration activity. EGFR exon 20 mutations occur in 3-5% of patients with NSCLC, and are resistant to currently available first-, second- and third-generation EGFR inhibitors. By increasing selectivity, improvements in target modulation and anti-tumor efficacy may be observed. ABSK112 demonstrated strong activity against EGFR exon 20 mutations and clear selectivity against wild-type EGFR in various cellular assays, and robust efficacy and PD effects in mouse xenograft models bearing EGFR exon 20 mutations.

  ABSK112 received IND clearance from the China NMPA in October 2023 and US FDA in July 2023. Phase I studies are currently being conducted in the US and China.

  Current Status

  In February 2024, we completed first patient dosing for the treatment of NSCLC in China.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET ABSK112 SUCCESSFULLY.

- **Mavorixafor (ABSK081/X4P-001), CXCR4 Inhibitor**

  Mavorixafor (ABSK081) is a novel small molecule antagonist of CXCR4 and is currently the only orally bioavailable CXCR4 modulator in clinical development worldwide. ABSK081 has the potential to offer a therapeutic option for various cancers, where the CXCR4/CXCL12 axis plays a critical role in shaping the tumor microenvironment ("**TME**"), promoting immune evasion, neoangiogenesis, and tumor metastasis.

  In July 2019, we entered into an exclusive license agreement with X4 Pharmaceuticals ("**X4**") to obtain the rights for the development, manufacturing and commercialization of mavorixafor (ABSK081) in mainland China, Taiwan, Hong Kong and Macau for all oncologic indications and WHIM Syndrome (warts, hypogammaglobulinemia, infections and myelokathexis), excluding mozobil indications and any use for auto-HSCT treatment and allo-HSCT treatments.

  Current Status

  In April 2024, X4 obtained the market approval of Xolremdi (mavorixafor) from the US FDA for patients 12 years of age and older with WHIM syndrome.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET ABSK081 SUCCESSFULLY.

- **ABSK051, CD73 Inhibitor**

  ABSK051 is a small molecule CD73 inhibitor in development for the treatment of various tumor types, including lung and pancreatic cancer. In preclinical studies, ABSK051 demonstrated strong potency in inhibiting the activities of soluble and surface-expressed CD73. It has also shown strong efficacy in vivo across various animal models.

  Current Status

  We are currently conducting a phase I trial in China to assess safety, tolerability and PK/PD, as well as preliminary anti-tumor activity in patients with advanced solid tumors. In January 2024, we completed first patient dosing.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET ABSK051 SUCCESSFULLY.

- **ABSK012, FGFR4 Mutation Inhibitor**

  ABSK012 is an orally bioavailable, highly selective, next-generation small molecule FGFR4 inhibitor with strong potency against both wild-type and FGFR4 mutations. In preclinical studies, ABSK012 demonstrated strong activity in vitro against both wild-type FGFR4 and FGFR4 mutations resistant to current FGFR4 inhibitors, and excellent in vivo efficacy in FGF19-driven and FGFR4-mutant models.

  Current Status

  In November 2023, we obtained IND clearance from the US FDA for a first-in-human phase I study in patients with advanced solid tumors. In April 2023, ABSK012 was granted ODD by the US FDA for the treatment of soft tissue sarcoma.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET ABSK012 SUCCESSFULLY.

- **ABK131, PRMT5*MTA Inhibitor**

  ABSK131 is a potent and selective a next-generation MTA-cooperative and brain-penetrant PRMT5 inhibitor, discovered through leveraging our advanced computation-aided structural analysis and medicinal chemistry design. In October 2024, we presented our latest preclinical research progress for ABSK131 during the 2024 EORTC-NCI-AACR Conference.

  Current Status

  We obtained IND clearance from the US FDA in December 2024, and submitted the IND application to the China NMPA in December 2024.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET ABSK131 SUCCESSFULLY.

- **ABK3376 (AST2303): EGFR-C797S Inhibitor**

  ABK3376 (AST2303) is a highly potent, selective, and brain-penetrant next-generation EGFR inhibitor, discovered using our proprietary drug discovery platform. ABK3376 is designed to efficiently target and inhibit the EGFR-C797S mutation, which can arise after treatment with third-generation EGFR-TKIs. In May 2023, we out-licensed Greater China rights of ABK3376 to Allist.

  Current Status

  In September 2024, ABK3376 (AST2303) was cleared by the China NMPA for a phase I study for the treatment of patients with NSCLC harboring the EGFR-C797S mutation.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET ABK3376 (AST2303) SUCCESSFULLY.

- **IND-enabling candidates**

  ABSK141 is a novel, potent, and highly orally bioavailable small-molecule KRAS-G12D inhibitor. We presented our preclinical research progress for ABSK141 at the 2024 EORTC-NCI-AACR Conference in October 2024. In preclinical studies, ABSK141 demonstrates high binding affinity, good biochemical activity and strong anti-tumor activity in multiple KRAS-G12D xenograft models. We are currently conducting IND-enabling studies for ABSK141.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET ABSK141 SUCCESSFULLY.

Business Development

Core to our growth strategy is strategic collaboration. We have assembled a team focused on identifying and fostering new partnerships and business development activities. By actively engaging in various initiatives, our goal extends beyond preclinical or clinical development success; we aspire to unleash the full potential of our innovative drug pipeline while fostering synergistic relationships that drive progress.

In March 2023, we entered into an exclusive license agreement with Allist regarding ABK3376, a next-generation EGFR TKI. Under the terms of the agreement, Allist will be responsible for the research, development, manufacture, use, and sales of ABK3376 (AST2303) in Greater China (the Chinese mainland, Hong Kong, Macau and Taiwan). We also granted Allist a time-limited option to expand the licensed territory worldwide in accordance with terms and conditions as agreed upon by both parties. We are eligible to receive up to USD187.9 million in payments, including upfront, development and sales milestones, plus tiered royalties on net sales. In September 2024, IND clearance for ABK3376 (AST2303) was granted by the China NMPA and we have received the relevant milestone payment.

In December 2023, we entered into an exclusive licensing agreement with Merck regarding pimicotinib, a CSF-1R inhibitor. Under the terms of the agreement, Merck will be responsible for the commercialization of pimicotinib for all indications in the Chinese mainland, Hong Kong, Macau and Taiwan. In addition, Merck has the exclusive option for global commercial rights and the option to co-develop pimicotinib for additional indications under certain conditions. We are eligible to receive up to USD605.5 million in payments, including upfront, development, and commercial milestones, as well as double-digit percentage royalties on annual net sales.

In February 2024, we received the one-time, non-refundable upfront payment of USD70.0 million pursuant to the terms of the license agreement with Merck. In the event that Merck exercises the global commercialization option, Merck will pay us an additional option exercise fee.

Research and Development ("R&D")

Innovative discovery, research and development represent the foundation of our Company. We believe our focus and expertise in this area is critical not only to our growth, but also our ability to remain competitive in the Chinese and global biopharmaceutical market.

We are dedicated to enhancing our pipeline through leveraging our leading in-house R&D capabilities, spanning early-stage drug discovery to late-stage clinical development.

As at December 31, 2024, our R&D team consists of 226 employees with broad and extensive clinical development experience, particularly in oncology. Among our R&D staffs, 71% have obtained at least one post-graduate degree, and 20% hold Ph.D. degrees. Among our preclinical R&D staffs, 80% have obtained at least post-graduate degrees, and 28% hold Ph.D. degrees.

Drug Discovery and Preclinical Development

Our drug discovery research and development efforts are led by our founders, Dr. Xu Yao-Chang ("**Dr. Xu**") and Dr. Yu Hongping ("**Dr. Yu**"), who collectively have made profound contributions to dozens of discovery programs, many of which have achieved successful regulatory approval and marketing authorization both in China and globally, including Ameile (almonertinib), Cymbalta (duloxetine), Balversa (erdafitinib), Reyvow (lasmiditan), Fu Laimei (PEG-loxenatide), Kisqali (ribociclib), and Xinfu (flumatinib).

We leverage advanced discovery and engineering technologies to identify and select lead compounds with optimal pharmaceutical properties and broad market potential. Our drug discovery team works closely with our Chemistry, Manufacturing, and Controls ("**CMC**") team early in the process to align objectives, ensure regulatory compliance, and facilitate a smooth transition from discovery to clinical development. Additionally, our drug discovery team includes a translational medicine function that focuses on biomarker discovery and bioinformatics analysis to support our clinical studies. Through translational research, we assess treatment efficacy, explore methods for customizing therapies, and refine personalized medicine guidelines based on new data. These insights help inform our ongoing efforts in novel drug and biomarker discovery.

Clinical Development

Our clinical development team is led by Dr. Ji Jing, who holds a Doctor of Medicine ("**MD**") degree from Fudan University and Shanghai Second Medical University, specializing in gastrointestinal and liver diseases. With over 25 years of experience in both early- and late-stage clinical development, Dr. Jing has held key leadership roles in global pharmaceutical companies, including Clinical Development Leader and Head of Therapeutic Area. She has successfully led and managed a wide array of functions, including medical affairs, clinical operations, quality control, clinical research, clinical pharmacology, and patient safety.

Our team oversees all phases of clinical trials, from design and implementation to drug supply and data collection and analysis. We have established partnerships with hospitals and principal investigators across China, the US, and other regions to support clinical trials for various indications at different stages. Our extensive experience in clinical trial execution enables us to accelerate the development of our drug portfolio.

Driven by our vision to address the unmet medical needs of patients in China and worldwide, we have consistently targeted broad and global markets. We believe this approach will maximize the commercial potential of our assets.

As at December 31, 2024, we have received approximately 33 INDs or clinical trial clearances across multiple countries and regions. Currently, we have one global phase III study ongoing in the US, Canada and Europe for pimicotinib. We have a phase I trial ongoing in Australia for ABSK043, and three phase I trials ongoing in the US for ABSK061, ABSK112, and ABSK121 respectively. We have completed a phase Ib trial in Taiwan for irpagratinib, and a completed phase Ib/II trial in Taiwan for fexagratinib.

Events after the Reporting Period

As at the date of this announcement, particulars of the Company's significant events affecting the Company or any of its subsidiaries after the year ended December 31, 2024 are listed below:

1. Ms. Chui Hoi Yam was appointed as an independent non-executive Director with effect on February 28, 2025. Ms. Chui Hoi Yam obtained the legal advice referred to in Rule 3.09D of the Listing Rules on January 21, 2025, and Ms. Chui Hoi Yam confirmed that she understood her obligations as a director of the Company.

2. Mr. Wang Lei resigned as an independent non-executive Director with effect on February 28, 2025.

Subsequent to December 31, 2024, no business-related significant events took place.

Future and Outlook

We achieved several clinical and operational milestones in 2024 and remain confident in our future prospects across all fundamental areas. In due course, we will rapidly accelerate our transition to a new and sustainable model that supports ongoing and future innovative drug development. Maintaining our proactive and dynamic approach to embrace local and global opportunities positions us well within the biotechnology and pharmaceutical competitive landscape.

We firmly believe in the power and potential of innovation and creativity, and are committed to our mission of leveraging our leading R&D platform to develop high-value pipeline products that address significant unmet medical needs around the world. We are dedicated to creating sustainable value for all of our stakeholders. We will:

– continue to innovate and advance our pipeline, accelerating clinical-stage assets and new discovery candidates

– actively explore and establish empowering partnerships

– maintain operational excellence and continuously optimize our financial position

– continue to appreciate and remunerate our shareholders

II. FINANCIAL REVIEW

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2024

	Notes	**2024** ***RMB'000***	2023 *RMB'000*
Revenue	*4*	**503,992**	19,060
Cost of sales		**–**	–
Gross profit		**503,992**	19,060
Other income and gains	*5*	**104,090**	87,376
Research and development expenses	*6*	**(451,376)**	(433,736)
Administrative expenses	*7*	**(74,210)**	(96,401)
Other expenses	*8*	**(2,859)**	(5,712)
Finance costs	*9*	**(1,608)**	(2,170)
PROFIT/(LOSS) BEFORE TAX		**78,029**	(431,583)
Income tax expense	*10*	**(49,727)**	–
PROFIT/(LOSS) FOR THE YEAR		**28,302**	(431,583)
OTHER COMPREHENSIVE INCOME			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		**533**	(1,079)
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of the Company		**22,084**	32,885
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		**22,617**	31,806
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		**50,919**	(399,777)
Total comprehensive income/(loss) attributable to:			
Owners of the parent		**50,919**	(399,777)
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*12*		
Basic			
– For profit/(loss) for the year		**RMB0.04**	RMB (0.67)
Diluted			
– For profit/(loss) for the year		**RMB0.04**	RMB (0.67)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2024

	Notes	**2024**	2023
		RMB'000	*RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**29,347**	34,264
Right-of-use assets		**23,471**	35,082
Other intangible assets		**4,828**	4,634
Other non-current assets	*13*	**28,967**	–
Total non-current assets		**86,613**	73,980
CURRENT ASSETS			
Prepayments and other receivables	*14*	**61,013**	68,993
Financial assets at fair value through profit or loss		**233**	918
Time deposits over three months	*15*	**1,669,657**	1,385,973
Pledged time deposits	*15*	**–**	7,437
Cash and cash equivalents	*15*	**289,531**	578,081
Total current assets		**2,020,434**	2,041,402
CURRENT LIABILITIES			
Other payables and accruals	*16*	**124,425**	98,119
Derivative financial instruments		**–**	437
Lease liabilities		**11,017**	10,610
Total current liabilities		**135,442**	109,166
NET CURRENT ASSETS		**1,884,992**	1,932,236
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,971,605**	2,006,216
NON-CURRENT LIABILITIES			
Lease liabilities		**13,269**	25,114
Total non-current liabilities		**13,269**	25,114
Net assets		**1,958,336**	1,981,102
EQUITY			
Equity attributable to owners of the parent			
Share capital		**44**	46
Treasury shares		**(3)**	(4)
Reserves		**1,958,295**	1,981,060
Total equity		**1,958,336**	1,981,102

NOTES

1.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRSs**") (which include all International Financial Reporting Standards, International Accounting Standards ("**IASs**") and Interpretations) issued by the International Accounting Standards Board (the "**IASB**") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for derivative financial instruments and wealth management products which have been measured at fair value. These financial statements are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand ("**RMB'000**") except when otherwise indicated.

1.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

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

1.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDSs

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

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

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

2 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgement, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Research and development expenses

Development expenses incurred on the Group's drug product pipelines are capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, the Group's intention to complete and the Group's ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the pipeline and the ability to measure reliably the expenditure during the development. Development expenses which do not meet these criteria are expensed when incurred. Determining the amounts to be capitalised requires management to make assumptions regarding the expected future cash generation of the assets, discount rates to be applied and the expected period of benefits. During the reporting period, all expenses incurred for research and development activities were expensed when incurred.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty as at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Share-based payments

The Group has set up an equity share option plan for the Company's Directors and the Group's employees. The fair value of the options is determined by the binomial model at the grant dates.

Estimating the fair value for share-based payment transactions requires the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share options, volatility and dividend yield and making assumptions about them.

For the fair value measurement of equity-settled transactions with employees at the grant date, the Group uses a binomial model.

Leases – Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate ("**IBR**") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

3. OPERATING SEGMENT INFORMATION

Operating segment information

For management purposes, the Group has only one reportable operating segment, which is the development of innovative medicines. Since this is the only reportable operating segment of the Group, no further operating segment analysis thereof is presented.

Geographical information

(a) Revenue from external customers

Revenue from external customers is disclosed in note 4.

(b) Non-current assets

Since nearly all of the Group's non-current assets were located in Mainland China, no geographical information about non-current assets in accordance with IFRS 8 Operating Segments is presented.

4. REVENUE

An analysis of revenue is as follows:

	2024	2023
	RMB'000	*RMB'000*
Revenue from contracts with customers	**503,992**	19,060

(a) Disaggregated revenue information

	2024	2023
	RMB'000	*RMB'000*
Type of goods or services		
Licensing revenue	**503,992**	19,060
Geographical market		
European Union	**497,273**	–
Mainland China	**6,719**	19,060
Total	**503,992**	19,060
Timing of revenue recognition		
At a point in time	**503,992**	19,060

Revenue increased to RMB504.0 million for the year ended December 31, 2024 from RMB19.1 million for the year ended December 31, 2023, by RMB484.9 million. During the year, the Group recorded one-time licensing revenue of RMB504.0 million, of which RMB497.3 million was generated from an exclusive licensing agreement with Merck, and RMB6.7 million was generated from an exclusive licensing agreement with Allist.

The revenue information above is based on the location of the customer.

(b) Performance obligations

Out-licensing revenue

The Group's out-licensing revenue is intellectual property licenses during the year. For the intellectual property licenses, the performance obligation is satisfied upon the control of the license is transferred to the customer and the payment is generally due upon completion of transfer or payment in advance is required.

5. OTHER INCOME AND GAINS

An analysis of other income and gains is as follows:

	2024	2023
	RMB'000	*RMB'000*
Other income		
Interest income	**89,099**	65,493
Other gains		
Government grants*	**13,196**	21,177
Foreign exchange gains	**1,795**	–
Fair value gains on financial assets at fair value through profit or loss	**–**	706
Total gains	**14,991**	21,883
Total	**104,090**	87,376

* The government grants mainly represent subsidies received from the Mainland China governments for the purpose of supporting research and clinical trial activities, allowances for new drug development and the tax refunds received from the Australian Taxation Office. There were no unfulfilled conditions or contingencies relating to these grants received during the year.

Other income and gains increased to RMB104.1 million for the year ended December 31, 2024, from RMB87.4 million for the year ended December 31, 2023, by RMB16.7 million, primarily attributable to an increase in interest income of RMB23.6 million, partially offset by a decrease in government subsidies.

6. RESEARCH AND DEVELOPMENT EXPENSES

An analysis of research and development expenses is as follows:

	2024	2023
	RMB'000	*RMB'000*
Third-party contracting costs	**235,902**	230,797
Employee cost	**166,494**	164,841
Others	**48,980**	38,098
Total	**451,376**	433,736

Research and development expenses increased to RMB451.4 million for the year ended December 31, 2024, from RMB433.7 million for the year ended December 31, 2023, by RMB17.7 million, primarily attributable to an increase in third-party contracting costs by RMB5.1 million as we advanced our clinical trials to later stage while expanding early discovery and research activities at the same time.

7. ADMINISTRATIVE EXPENSES

An analysis of administrative expenses is as follows:

	2024	2023
	RMB'000	*RMB'000*
Employee cost	**51,078**	60,788
Third-party advisory service costs	**12,912**	26,582
Others	**10,220**	9,031
Total	**74,210**	96,401

Administrative expenses decreased to RMB74.2 million for the year ended December 31, 2024, from RMB96.4 million for the year ended December 31, 2023 by RMB22.2 million, primarily attributable to a decrease in share-based payment expenses and third-party advisory service costs.

8. OTHER EXPENSES

An analysis of other expenses is as follows:

Other expenses decreased to RMB2.9 million for the year ended December 31, 2024, from RMB5.7 million for the year ended December 31, 2023, by RMB2.8 million, primarily attributable to the decrease of the foreign exchange loss.

9. FINANCE COSTS

An analysis of finance costs is as follows:

	2024	2023
	RMB'000	*RMB'000*
Interest on lease liabilities	**1,608**	2,170

Finance costs decreased to RMB1.6 million for the year ended December 31, 2024, from RMB2.2 million for the year ended December 31, 2023. Decrease in finance cost is mainly due to the decrease of interest on lease liabilities.

10. INCOME TAX

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

Cayman Islands

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

Hong Kong

The subsidiary incorporated in Hong Kong is subject to income tax under the two-tiered profits tax rates regime on the estimated assessable profits arising in Hong Kong during the year. The first HKD2.0 million of assessable profits of this subsidiary are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

Mainland China

Pursuant to the Corporate Income Tax Law of the PRC and the respective regulations (the "**CIT Law**"), the subsidiaries which operate in Mainland China are subject to CIT at a rate of 25% on the taxable income. A subsidiary was accredited as a "High and New Technology Enterprise" ("**HNTE**") in October 2022 and therefore it was entitled to a preferential CIT rate of 15% from 1 January 2022 to 31 December 2024. This qualification is subject to review by the relevant tax authority in the PRC for every three years.

Australia

No provision for Australia income tax has been made as the Group had no assessable profits derived from or earned in Australia during the year. The subsidiary incorporated in Australia is subject to income tax at the rate of 30% on the estimated assessable profits arising in Australia during the year.

Germany

During the year ended 31 December 2024, the Group was subject to German withholding tax on licensing revenue received from a Germany-based customer.

The income tax expense of the Group is analysed as follows:

	2024	2023
	RMB'000	*RMB'000*
Current tax		
German withholding tax	**49,727**	–

11. DIVIDENDS

No dividend was paid or declared by the Company during the year ended 31 December 2024 (year ended 31 December 2023: Nil).

12. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings/(loss) per share amounts is based on the profit or loss for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 633,992,967 (year ended 31 December 2023: 647,226,272) outstanding during the year, as adjusted to reflect the shares repurchased during the year.

The calculation of the diluted earnings/(loss) per share amounts is based on the profit or loss for the year attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed conversion of all dilutive potential ordinary shares into ordinary shares.

No adjustment has been made to the basic loss per share amounts presented for the year ended 31 December 2023 in respect of a dilution as the impact of the share options and restricted share units outstanding had an anti-dilutive effect on the basic loss per share amounts presented.

The calculations of basic and diluted earnings/(loss) per share are based on:

	2024	2023
	RMB'000	*RMB'000*
Earnings/(Loss)		
Profit/(Loss) attributable to ordinary equity holders of the parent, used in the basic and diluted earnings/(loss) per share calculation	**28,302**	(431,583)

	Numbers of shares	
	2024	2023
Shares		
Weighted average number of ordinary shares outstanding during the year used in the basic earnings/(loss) per share calculation*	**633,992,967**	647,226,272
Effect of dilution – weighted average number of ordinary shares:		
Share incentive plan	**15,601,842**	–
Total	**649,594,809**	647,226,272

* The weighted average number of shares was after taking into account the effect of treasury shares held.

13. OTHER NON-CURRENT ASSETS

	2024
	RMB'000
Tax deduction related to withholding tax	28,967

During the year, a Germany-based customer withheld excessive tax amounting to RMB78.7 million on the Group's licensing revenue from the customer, without considering the relevant bilateral tax treaties. According to these treaties, licensing revenue received from a Germany-based customer is generally subject to a withholding tax rate of 10%. The non-current assets in relation to such excessive withholding tax amounted to RMB29.0 million.

14. PREPAYMENTS AND OTHER RECEIVABLES

	2024	2023
	RMB'000	*RMB'000*
Prepayments to suppliers	**9,054**	21,292
Loans to employees*	**3,705**	9,381
Deposits and other receivables	**48,254**	38,320
Total	**61,013**	68,993

* The loans to employees were given by the Group for the purpose of enabling the employees to exercise share options of the Company.

The financial assets included in the above balances relate to receivables for which there was no recent history of default and past due amounts. As at 31 December 2024 and 2023, the loss allowance was assessed to be minimal.

15. TIME DEPOSITS OVER THREE MONTHS, PLEDGED TIME DEPOSITS AND CASH AND CASH EQUIVALENTS

The details of cash and bank balances (including time deposits over three months, pledged time deposits and cash and cash equivalents) are as follows:

	2024	2023
	RMB'000	*RMB'000*
Cash and bank balances	**1,959,188**	1,971,491
Less:		
Pledged time deposits*	**–**	7,437
Time deposits over three months**	**1,669,657**	1,385,973
Cash and cash equivalents	**289,531**	578,081

* They represent one-year pledged time deposits of USD1.1 million (equivalent to RMB7.4 million) pledged for the Group's forward currency contracts with annual return rates ranging from 5.0% to 5.1%, which were withdrawn in August 2024.

** They represent time deposits with initial terms of over three months, acquired from commercial banks, with annual return rates ranging from 4.13% to 5.3% (year ended 31 December 2023: 2.02% to 5.7%) as at 31 December 2024. None of these deposits are either past due or impaired. None of these deposits are pledged.

The breakdown of cash and bank balances by the denomination of currency is as follows:

	2024	2023
	RMB'000	*RMB'000*
Denominated in:		
RMB	**198,216**	594,887
USD	**1,749,408**	1,364,728
HKD	**6,029**	11,644
AUD	**5,535**	232
Cash and bank balances	**1,959,188**	1,971,491

16. OTHER PAYABLES AND ACCRUALS

	2024	2023
	RMB'000	*RMB'000*
Payables for research and development services	**67,632**	55,524
Payroll payable	**26,105**	25,740
Other tax payables	**16,142**	2,113
Payables of construction and purchase of equipment	**1,977**	132
Amounts due to related parties	**–**	388
Other payables	**12,569**	14,222
Total	**124,425**	98,119

Other payables and accruals are unsecured, non-interest-bearing and repayable on demand. The carrying amounts of financial liabilities included in other payables and accruals as at the end of each of the reporting periods approximated to their fair values due to their short-term maturities.

NON-IFRS MEASURE

To supplement the Group's Consolidated Financial Statements, which are presented in accordance with the IFRS, the Company also uses adjusted profit/(loss) for the year and other adjusted figures as additional financial measures, which are not required by, or presented in accordance with, the IFRS. The Company believes that these adjusted measures provide useful information to shareholders and potential investors in understanding and evaluating the Group's consolidated results of operations.

Adjusted profit/(loss) for the year represents the profit/(loss) for the year excluding the effect of certain non-cash items, namely share-based payment expenses. The term adjusted profit/(loss) for the year is not defined under the IFRS. The use of this non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as substitute for analysis of, the Group's results of operations or financial condition as reported under IFRS. The Company's presentation of such adjusted figure may not be comparable to a similarly titled measure presented by other companies. However, the Company believes that this and other non-IFRS measures are reflections of the Group's normal operating results by eliminating potential impacts of items that the management do not consider to be indicative of the Group's operating performance, and thus facilitate comparisons of operating performance from period to period and company to company to the extent applicable.

The table below sets forth a reconciliation of the profit/(loss) to adjusted profit/(loss) during the years indicated:

	2024	2023
	RMB'000	*RMB'000*
Profit/(Loss) for the year	**28,302**	(431,583)
Added:		
Share-based payment expenses	**20,739**	47,398
Adjusted profit/(loss) for the year	**49,041**	(384,185)

The table below sets forth a reconciliation of the research and development expenses to adjusted research and development expenses during the years indicated:

	2024	2023
	RMB'000	*RMB'000*
Research and development expenses for the year	**(451,376)**	(433,736)
Added:		
Share-based payment expenses	**13,771**	27,807
Adjusted research and development expenses for the year	**(437,605)**	(405,929)

The table below sets forth a reconciliation of the administrative expenses to adjusted administrative expenses during the years indicated:

	2024	2023
	RMB'000	*RMB'000*
Administrative expenses for the year	**(74,210)**	(96,401)
Added:		
Share-based payment expenses	**6,968**	19,591
Adjusted administrative expenses for the year	**(67,242)**	(76,810)

Liquidity and Financial Resources

The Group's cash and bank balances including time deposits over three months, pledged time deposits and cash and cash equivalents as at December 31, 2024 were RMB1,959.2 million, representing a slight decrease of 0.6% compared to RMB1,971.5 million as at December 31, 2023. The slight decrease of cash was due to higher spending on research and development activities and share repurchases, offsetting the increase in revenue.

Gearing ratio

Gearing ratio is calculated using total liabilities divided by total assets and multiplied by 100%. As at December 31, 2024, our gearing ratio was 7% (as at December 31, 2023: 6%).

Other Financial Information

Material Acquisition and Disposal of Subsidiaries, Associates and Joint Ventures

The Group had no material acquisitions and disposals of subsidiaries, associates and joint ventures during the Reporting Period.

Future Plans for Material Investments or Capital Assets

Save as disclosed in this announcement, we do not have any future plans for material investments or capital assets as at the date of this announcement.

Foreign Exchange Risk

Our financial statements are expressed in RMB, but certain of our financial assets measured at fair value through profit or loss and other payables are denominated in foreign currencies and are exposed to foreign currency risk. We currently do not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Bank Loans and Other Borrowings

As at December 31, 2024, we did not have any bank loans or other forms of borrowings.

Contingent Liabilities

The Group had no material contingent liability as at December 31, 2024.

Charges on Group Assets

As December 31, 2024, we did not have any charges on our assets.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Compliance with the Corporate Governance Code

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders and to enhance corporate value and accountability. The Company has applied the principles and code provisions as set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**"). During the Reporting Period, the Board is of the opinion that the Company has complied with all the applicable code provisions apart from the deviations below.

Code provision C.2.1 of the CG Code provides that the roles of the chairman of the Board (the "**Chairman**") and chief executive officer (the "**CEO**") should be separated and should not be performed by the same individual. As at the date of this announcement, the roles of the Chairman and the CEO of the Company are held by Dr. Xu Yao-Chang ("**Dr. Xu**").

The Board believes that, in view of Dr. Xu's experience, personal profile and his roles in our Company as mentioned above, Dr. Xu is the Director best suited to identify strategic opportunities and focus of the Board due to his extensive understanding of our business as our CEO. The Board also believes that the combined role of chairperson and CEO can promote the effective execution of strategic initiatives and facilitate the flow of information between management and the Board.

Further, the decisions to be made by the Board require approval by at least a majority of our Directors and that the Board comprises three independent non-executive Directors, which the Company believes that there are sufficient checks and balances in the Board. Dr. Xu and other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that they shall act for the benefit and in the best interest of the Company and will make decisions for the Group accordingly.

The Board will continue to review and consider splitting the roles of the Chairman and the CEO at the time when it is appropriate by taking into account the circumstances of the Group as a whole.

Further information concerning the corporate governance practices of the Company will be set out in the corporate governance report in the annual report of the Company for the year ended December 31, 2024, which will be published on the websites of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Company in due course. The Company will continue to regularly review and monitor its corporate governance practices to ensure compliance with the CG Code, and maintain a high standard of corporate governance practices of the Company.

The Board will examine and review, from time to time, the Company's corporate governance practices and operations in order to meet the relevant provisions under the Listing Rules.

Compliance with Model Code

The Company has adopted a code on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (the "**Model Code**") as its code of conduct regarding dealings in the securities of the Company by the Directors, and the Group's employees who, because of his/her office or employment, are likely to possess inside information in relation to the Group or the Company's securities. Specific enquiries have been made to all the Directors and they have confirmed that they have complied with the Model Code during the Reporting Period (or during the period of tenure). No incident of non-compliance with the Model Code by the employees was noted by the Company during the Reporting Period.

Use of Net Proceeds from the Global Offering and Change in Use of Net Proceeds

Use of Net Proceeds from the Global Offering

The shares of the Company were listed on the Stock Exchange on October 13, 2021 and the Company obtained net proceeds of approximately HKD1,674.0 million (after deducting the underwriting commissions and other estimated expenses in connection with the global offering and the exercise of the over-allotment option).

For the year ended December 31, 2024, HKD247.01 million out of the net proceeds had been utilized in accordance with the purposes set out in the prospectus of the Company dated September 30, 2021 ("**Prospectus**") under the section headed "Future Plans and Use of Proceeds", and HKD711.09 million remained unutilized as at December 31, 2024. The table below sets out the actual usage up to December 31, 2024:

Planned usage	**% of use of net proceeds (Approximately)**	**Net proceeds from the IPO** *(HKD million)*	**Amount of unutilized net proceeds as at January 1, 2024** *(HKD million)*	**Actual usage during the Reporting Period** *(HKD million)*	**Unutilized net proceeds as at December 31, 2024** *(HKD million)*	**Expected timeline for application of the unutilized net proceeds**
Fund the ongoing and future R&D including planned clinical trials, preparation of registration filings, and future commercialization of our Core Product Candidate irpagratinib (ABSK011)	19.7%	329.78	263.59	60.37	203.22	Expected to be fully utilized by December 31, 2024
Fund the ongoing and future R&D including planned clinical trials, preparation of registration filings and future commercialization of our Core Product candidate fexagratinib (ABSK091, AZD4547)	32.6%	545.72	462.80	15.86	446.94	Expected to be fully utilized by December 31, 2024
Fund our other clinical stage products and product candidates in our pipeline	28.0%	468.72	170.78	170.78	0	Expected to be fully utilized by December 31, 2024
Fund our pre-clinical research and studies, including continued development of our R&D platform and R&D of new pre-clinical candidates	8.4%	140.62	0	0	0	Expected to be fully utilized by December 31, 2024
Fund the construction of manufacturing facility in Shanghai	6.3%	105.46	60.93	0	60.93	Expected to be fully utilized by December 31, 2024
Working capital and general corporate purposes	5.0%	83.70	0	0	0	Expected to be fully utilized by December 31, 2024
Total	**100%**	**1,674.00**	**958.10**	**247.01**	**711.09**	

Note:

Net IPO proceeds were received in Hong Kong dollars and translated to Renminbi for application planning.

Change in use of net proceeds

As at the date of this announcement, HKD974.27 million out of the net proceeds had been utilized in accordance with the purposes set out in the Prospectus under the section headed "Future Plans and Use of Proceeds", and HKD699.73 million remained unutilized. The table below sets out the actual usage up to the date of this announcement:

Planned usage	**% of use of proceeds (Approximately)**	**Net proceeds from the IPO** *(HKD million)*	**Amount of utilized net proceeds as at the date of this announcement** *(HKD million)*	**Amount of unutilized net proceeds as at the date of this announcement** *(HKD million)*
Fund the ongoing and future R&D including planned clinical trials, preparation of registration filings, and future commercialization of our Core Product Candidate irpagratinib (ABSK011)	19.7%	329.78	135.32	194.46
Fund the ongoing and future R&D including planned clinical trials, preparation of registration filings and future commercialization of our Core Product candidate fexagratinib (ABSK091, AZD4547)	32.6%	545.72	101.38	444.34
Fund our other clinical stage products and product candidates in our pipeline	28.0%	468.72	468.72	0
Fund our pre-clinical research and studies, including continued development of our R&D platform and R&D of new pre-clinical candidates	8.4%	140.62	140.62	0
Fund the construction of manufacturing facility in Shanghai	6.3%	105.46	44.53	60.93
Working capital and general corporate purposes	5.0%	83.70	83.70	0
Total	**100%**	**1,674.00**	**974.27**	**699.73**

Note:

Net IPO proceeds were received in Hong Kong dollars and translated to Renminbi for application planning.

The Board has resolved to change the use of unutilised net proceeds of HKD699.73 million on March 3, 2025. Upon completion of the change in the use of net proceeds from the Global Offering, the specific use of net proceeds from the Global Offering of the Company is as follows:

Planned usage	**% of use of proceeds (Approximately)**	**Net proceeds from the IPO** *(HKD million)*	**Amount of utilized net proceeds as at the date of this announcement** *(HKD million)*	**Amount of unutilized net proceeds as at the date of this announcement** *(HKD million)*	**Amount of unutilized net proceeds after the change of the use of net proceeds** *(HKD million)*	**Expected timeline for application of the unutilized net proceeds after the change of the use of net proceeds**
Fund the ongoing and future R&D including planned clinical trials, preparation of registration filings, and future commercialization of our Core Product Candidate irpagratinib (ABSK011)	19.7%	329.78	135.32	194.46	148.46	Expected to be fully utilized by December 31, 2026
Fund the ongoing and future R&D including planned clinical trials, preparation of registration filings and future commercialization of our Core Product candidate fexagratinib (ABSK091, AZD4547)	32.6%	545.72	101.38	444.34	12.34	Expected to be fully utilized by December 31, 2026
Fund our other clinical stage products and product candidates in our pipeline	28.0%	468.72	468.72	0	273.64	Expected to be fully utilized by December 31, 2026
Fund our pre-clinical research and studies, including continued development of our R&D platform and R&D of new pre-clinical candidates	8.4%	140.62	140.62	0	144.36	Expected to be fully utilized by December 31, 2026
Fund the construction of manufacturing facility in Shanghai	6.3%	105.46	44.53	60.93	0	–
Working capital and general corporate purposes	5.0%	83.70	83.70	0	120.93	Expected to be fully utilized by December 31, 2026
Total	**100%**	**1,674.00**	**974.27**	**699.73**	**699.73**	

Save as disclosed above, there are no other changes in the intended use of net proceeds from the Global Offering.

Reasons for and benefits of change in use of net proceeds from the Global Offering

In order to improve the efficiency of the use of net proceeds, reduce financial expenses and align with the Company's current strategic objectives after reviewing latest industry trends, the Company intended to adjust the planning and proportion of the use of unutilized net proceeds as indicated above. Specifically, we intend to:

(i) Reduce part of net proceeds originally planned to "Fund the ongoing and future R&D including planned clinical trials, preparation of registration filings and future commercialization of our Core Product candidate fexagratinib (ABSK091, AZD4547)" of HKD432.00 million.

We begin to deprioritize the development of fexagratinib in the near term after evaluating the current competitive landscape of the first generation of pan-FGFR inhibitor, instead we are more focusing on and prioritizing the development of our next-generation FGFR inhibitors, such as FGFR2/3 inhibitor ABSK061. Thus we are reallocating the unutilized net proceeds originally allocated to fund the development of fexagratinib to fund other product candidates in the Company's pipeline including next-generation selective FGFR inhibitors ABSK061 and other candidates. We will continuously monitor the competitive landscape and evaluate the development strategy for fexagratinib.

(ii) Reduce part of net proceeds originally planned to "Fund the ongoing and future R&D including planned clinical trials, preparation of registration filings, and future commercialization of our Core Product Candidate irpagratinib (ABSK011)" of HKD46.00 million.

We intend to slightly reduce the amount of net proceeds originally planned to fund the ongoing and future R&D including planned clinical trials, preparation of registration filings, and future commercialization of our Core Product Candidate irpagratinib (ABSK011), based on our latest estimate for the future expenditure of irpagratinib.

(iii) Use HKD273.64 million of those reallocated net proceeds to "Fund our other clinical stage products and product candidates in our pipeline".

We intend to use HKD273.64 million of those reallocated net proceeds for our other clinical stage products, including: ABSK021 (in a global multi-center phase III clinical trial of TGCT and a phase II trial of cGvHD), ABSK043 (in a phase I clinical trial in both Australia and China, and a phase II clinical trial in combination with furmonertinib), ABSK061 (in a phase I clinical trial in both China and US, and a phase II clinical trial in combination with ABSK043) and etc., to actively accelerate their clinical progress.

Those pipelines have demonstrated encouraging potential, and are being developed at a faster speed than previously expected, thus they are more prioritized in our current development strategy. They are now entering later clinical stages, and being developed in multiple indications and across various regions globally, which requires more resources. Consequently, we are allocating more net proceeds accordingly.

(iv) Reduce net proceeds originally planned to "Fund the construction of manufacturing facility in Shanghai" of HKD60.93 million.

We decided to suspend the construction of a manufacturing facility in Shanghai in the near term, and thus not to allocate the remaining unutilized net proceeds to fund this, after we made a prudent assessment regarding expanding manufacturing capabilities based on the latest industry trends. Instead, we will maintain our focus on the advancement of innovative molecules in the clinical development, which we always view as the fundermentals and core values of our Group.

(v) Use HKD144.36 million of those reallocated net proceeds to "Fund our pre-clinical research and studies, including continued development of our R&D platform and R&D of new pre-clinical candidates".

We intend to use HKD144.36 million of those reallocated net proceeds for our pre-clinical research and studies. As we view innovative discovery as one of the foundations of the Company, we are determined to use the reallocated net proceeds to continuously upgrade our R&D platform, to research new targets and modalities, and to identify promising compounds/PCCs. By leveraging our discovery capabilities and continuously expanding our pipeline, we are aiming for achieving sustainable innovation.

(vi) Use HKD120.93 million of those reallocated net proceeds for "Working capital and general corporate purposes".

We intend to use HKD120.93 million of those reallocated net proceeds for our other general corporate purposes to fund our daily operations.

The Board (including the independent non-executive Directors) confirms that the above proposed change is in line with the actual situation and operational development needs of the Company without misappropriation of net proceeds or unauthorized change in the use of net proceeds and damage to the interests of shareholders, in particular the minority shareholders, and are in the interests of the Company and its shareholders as a whole. The aforementioned change in use of net proceeds will not have any material adverse effect to the existing business and operations of the Company.

Pursuant to the provisions of the Company's articles of association, the above proposal to change the use of net proceeds from the Global Offering is not subject to consideration and approval by the Company's shareholders at a general meeting and shall become effective from the date of being considered and approved by the Board.

Significant Investment Held

During the Reporting Period, the Group did not hold any significant investments.

Purchase, Sale or Redemption of Listed Securities

From March 2024 to September 2024, the Company repurchased a total of 22,594,000 ordinary shares on the Stock Exchange, with total paid consideration of HKD68,739,330. Subsequently, a total of 15,833,000 ordinary shares, with total paid consideration of HKD47,708,160 were cancelled on July 3, 2024, and a total of 6,761,000 ordinary shares, with total paid consideration of HKD21,031,170 were cancelled on September 30, 2024. As at the end of the Reporting Period, all shares repurchased by the Company were cancelled, and the issued share capital of the Company was reduced accordingly. The purposes of share buy-backs by the Board is to reflect the intrinsic value of the shares, and are in the best interests of the Company and the shareholders. Details of the share repurchases during the Reporting Period are as follow:

		Repurchase price per share *(HKD)*		
Month of share repurchases	**Number of shares repurchased**	**Highest price paid**	**Lowest price paid**	**Total consideration paid** *(HKD)*
March 2024	2,001,000	3.03	2.72	5,783,060
April 2024	8,177,000	3.33	2.73	24,215,510
May 2024	2,500,000	3.41	3.18	8,265,120
June 2024	5,893,000	3.29	2.90	18,055,150
July 2024	700,000	3.27	3.17	2,257,250
August 2024	2,923,000	3.18	2.78	8,897,050
September 2024	400,000	3.20	3.10	1,266,190
Total	**22,594,000**			**68,739,330**

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities (or sale of treasury shares*(Note 1)*, if any) listed on the Stock Exchange during the Reporting Period. As at December 31, 2024, the Company did not hold any treasury shares*(Note 1)*

Note 1: as defined under the Listing Rules

FINAL DIVIDEND

The Board has resolved not to recommend the payment of a final dividend for the year ended December 31, 2024 (year ended December 31, 2023: Nil).

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from June 13, 2025 to June 18, 2025 (both days inclusive), in order to determine the eligibility of the holders of shares to attend and vote at the annual general meeting (the "**AGM**") to be held on Wednesday, June 18, 2025. The holder of shares whose names appear on the share register of members of the Company on Wednesday, June 18, 2025 will be entitled to attend and vote at the AGM. In order to be eligible to attend and vote at the AGM, all transfer accompanied by the relevant share certificates and transfer forms must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Thursday, June 12, 2025.

SCOPE OF WORK OF THE COMPANY'S AUDITOR

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

AUDIT COMMITTEE REVIEW OF FINANCIAL STATEMENTS

The Audit Committee has considered and reviewed the consolidated annual results of the Group for the year ended December 31, 2024 and the accounting principles and practices adopted by the Group, and has discussed with management on issues in relation to internal control, risk management and financial reporting. The Audit Committee is of the opinion that the consolidated annual results of the Group for the year ended December 31, 2024 are in compliance with the relevant accounting standards, laws and regulations.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This results announcement is published on the Company's website (www.abbisko.com) and the website of the Stock Exchange (www.hkexnews.hk).

The annual report for the year ended December 31, 2024 of the Company containing all relevant information required under the Listing Rules will be published on the aforementioned websites and dispatched to the shareholders of the Company if so requested in due course.

INSIDE INFORMATION

This information is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "**SFO**").

(i) Resignation of Executive Director

On March 3, 2025, Dr. Chen Zhui (陳椎博士) ("**Dr. Chen**") tendered his resignation as an executive Director of the Company, a director of Abbisko Hongkong Limited and a director of Abbisko Therapeutics Co., Ltd. (上海和譽生物醫藥科技有限公司), and ceased to be our chief scientific officer with effect from March 3, 2025 due to his other commitments which require more of his dedication. Dr. Chen confirmed that he has no claim against the Company whatsoever whether in respect of fees, severance payments, expenses, damages, remuneration or compensation for the loss of office or otherwise and no disagreement with the Board and there is no matter in respect of his resignation which needs to be brought to the attention of the Stock Exchange and the shareholders of the Company.

Although Dr. Chen ceased to be the Director and senior management of our Group, considering his extensive industry experience, the Company will appoint him as an consultant as appropriate to continue to contribute to the development of the Company's portfolio.

The Board would like to express its gratitude to Dr. Chen for his valuable contribution to the Company during his tenure of service.

After Dr. Chen's resignation, our other current chief scientific officer and our executive Director, Dr. Yu, will continue to be responsible for our drug discovery and other related matters.

The Company is of the view that the change in the executive director will not have any material adverse impact on the operation of the Group.

(ii) Termination of Acting-in-concert Agreement

Dr. Xu, Dr. Yu and Dr. Chen entered into an acting-in-concert agreement (the "**Acting-in-concert Agreement**") on May 26, 2021, pursuant to which they acknowledged and confirmed that (i) since 2016, each of Dr. Xu, Dr. Yu, Dr. Chen and their controlled entities has been acting in concert at the shareholders' meetings of Abbisko Therapeutics Co., Ltd. (上海和譽生物醫藥科技有限公司) and the Company; (ii) they will continue to act in concert at the shareholders' meeting of the Company; and (iii) in the event that the parties are unable to reach consensus on matters of the Company, each of the parties shall exercise their respective voting rights in accordance with the instructions of Dr. Xu. As such, each of Dr. Xu, Dr. Yu and Dr. Chen are deemed be interested in the share each other is interested in.

As Dr. Chen tendered his resignation as an executive Director of the Company, a director of Abbisko Hongkong Limited and a director of Abbisko Therapeutics Co., Ltd. (上海和譽生物醫藥科技有限公司), and ceased to be our chief scientific officer with effect from March 3, 2025, Dr. Xu, Dr. Yu and Dr. Chen entered into a termination agreement to terminate the Acting-in-concert Agreement (the "**Termination Agreement**") with effect from March 3, 2025. Upon the execution of the Termination Agreement, Dr. Xu, Dr. Yu and Dr. Chen are no longer obliged to, among other things, act in concert by aligning their votes at the shareholders' meetings of Abbisko Therapeutics Co., Ltd. (上海和譽生物醫藥科技有限公司) and the Company, nor be deemed to be interested in each other's interest in the Shares.

The Company is of the view that the Termination Agreement does not have any material adverse impact on the operation of the Group.

The interests of Dr. Xu, Dr. Yu and Dr. Chen immediately before and after the execution of the Termination Agreement are as follows:

Name	Immediately before the execution of the Termination Agreement			Immediately after the execution of the Termination Agreement		
	Nature of Interests	Total number of shares/ underlying shares	Approximate Percentage of Shareholding Interest	Nature of Interests	Total number of shares/ underlying shares	Approximate Percentage of Shareholding Interest
Dr. Xu	Founder of discretionary trust; interests held jointly with another person; interest of a party to an agreement regarding interest in our Company; beneficial owner	114,300,768[1]	16.82%	Founder of discretionary trust; beneficial owner	79,902,980[4]	11.76%
Dr. Yu	Interest in controlled corporation; interests held jointly with another person; interest of a party to an agreement regarding interest in our Company; beneficial owner	114,300,768[2]	16.82%	Interest in controlled corporation; beneficial owner	17,190,394[4]	2.53%
Dr. Chen	Founder of discretionary trust; interests held jointly with another person; interest of a party to an agreement regarding interest in our Company; beneficial owner	114,300,768[3]	16.82%	Founder of discretionary trust; beneficial owner	17,207,394[4]	2.53%

Notes:

1) Includes (1) Dr. Xu is the settlor of a discretionary trust, the Xu Wang Trust, of which Trident Trust Company (HK) Limited acts as its trustee and the beneficiaries of which are Dr. Xu's family members. Yaochang Family Holding Limited is wholly owned by Hery International Development Limited, which is in turn wholly owned by Trident Trust Company (HK) Limited as the trustee of the Xu Wang Trust. Each of Dr. Xu (as settlor of the Xu Wang Trust), Trident Trust Company (HK) Limited and Hery International Development Limited are deemed to be interested in the 70,290,520 Shares in the Company held by Yaochang Family Holding Limited.; (2) Dr. Xu directly holds 9,612,460 Shares; and (3) the interests held by Dr. Yu and Dr. Chen pursuant to the Acting-in-concert Agreement.

2) Includes (1) Dr. Yu through his interest in controlled corporation, Panorama HY Investment Limited, held 9,897,370 Shares; (2) Dr. Yu directly holds 7,293,024 Shares; and (3) the interests held by Dr. Xu and Dr. Chen pursuant to the Acting-in-concert Agreement.

3) Includes (1) Dr. Chen is the settlor of a discretionary trust, the Zabuye Trust, of which Trident Trust Company (HK) Limited acts as its trustee and the beneficiaries of which are Dr. Chen's family members. Chogir Limited is wholly owned by Zabuye Limited, which in turn is wholly owned by Trident Trust Company (HK) Limited as the trustee of the Zabuye Trust. Each of Dr. Chen (as the settlor of the Zabuye Trust), Trident Trust Company (HK) Limited and Zabuye Limited are deemed to be interested in the 4,948,690 Shares in the Company held by Chogir Limited; (2) Dr. Chen is also the founder of another discretionary trust, the Jamdrok Trust, of which Trident Trust Company (HK) Limited acts as its trustee and the beneficiary of which is Mrs. Chen, being Dr. Chen's spouse. Jamdrok Limited is wholly owned by WiseGuard Holdings Limited, which in turn is wholly owned by Trident Trust Company (HK) Limited as the trustee of the Jamdrok Trust. Each of Dr. Chen (as the founder of the Jamdrok Trust, and the spouse of Mrs. Chen), Trident Trust Company (HK) Limited and WiseGuard Holdings Limited are deemed to be interested in the 4,948,680 Shares in the Company held by Jamdrok Limited; (3) Dr. Chen directly holds 7,310,024 Shares; and (4) the interests held by Dr. Xu and Dr. Yu pursuant to the Acting-in-concert Agreement.

4) Please refer to notes (1) to (3), deducting the portion of the interests under the Acting-in-concert Agreement.

CHANGE IN COMPOSITION OF THE BOARD

Appointment of Executive Director

On March 3, 2025, our chief medical officer, Dr. Ji Jing (嵇靖博士) ("**Dr. Ji**"), has been appointed by the Board as an executive Director of the Company with effect from March 3, 2025. Dr. Ji shall hold office until the first annual general meeting of the Company after her appointment. The biographical details of Dr. Ji are as follows:

Dr. Ji, aged 54, has been our chief medical officer since February 1, 2021 and is responsible for leading cross-functional teams and overseeing company-wide clinical development and regulatory strategies. Dr. Ji worked as a doctor at Shanghai First People's Hospital from July 1995 to December 1997. She served as the Clinical Research Manager at Merck Sharp & Dohme, a pharmaceutical company engaged in the development of vaccines, medicines and health products, from December 1997 to March 2003. From September 2003 to June 2006, Dr. Ji served as the Clinical Research Unit Head at Sanofi S.A., a biopharmaceutical company engaged in manufacture of pharmaceutical products. From June 2006 to January 2010, Dr. Ji served as the Head of Clinical Development and Medical Affairs at GlaxoSmithKline plc, a pharmaceutical company engaged in the development, manufacture and marketing of pharmaceutical products. From January 2010 to April 2015, Dr. Ji served as Director in early clinical development at Johnson & Johnson Medical (Shanghai) Ltd. (強生(上海)醫療器材有限公司), a pharmaceutical company that engaged in the development of medical devices, pharmaceuticals, and consumer packaged goods. From April 2015 to May 2020, Dr. Ji served as the Head of Cardiovascular, Renal and Metabolism Therapy Area and Vice President at AstraZeneca plc, a pharmaceutical and biotechnology company engaged in the development and manufacture of pharmaceutical products. From May 2020 to January 2021, Dr. Ji served as the Senior Vice President of medical and clinical development at Shanghai Lianbio Development Co., Ltd. (上海聯拓生物科技有限公司).

Dr. Ji obtained her Bachelor of Medicine degree from Fudan University and Shanghai Second Medical University in the PRC in July 1993 and Master's degree in medicine from Fudan University and Shanghai Second Medical University in the PRC in July 1995.

As at the date of this announcement, Dr. Ji was interested in 4,475,000 shares of the Company, representing approximately 0.66% of the issued share capital of the Company as at the date of this announcement, within the meaning of Part XV of the SFO, the interest includes (i) 3,600,000 underlying shares in respect of the share options granted pursuant to the Company's 2019 Share Incentive Plan; (ii) 150,000 underlying shares in respect of the share options granted pursuant to the Company's Post-IPO Share Option Scheme; and (iii) 725,000 underlying shares in respect of the RSUs granted pursuant to the Company's Post-IPO RSU Scheme.

As at the date of this announcement, save as disclosed above, Dr. Ji (1) did not hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (2) does not have other major appointments or professional qualifications; (3) does not have any relationship with any Director, senior management or substantial or controlling shareholder (as defined under the Listing Rules) of the Company; (4) does not hold any other positions with the Company or any of its subsidiaries; and (5) does not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Dr. Ji has entered into a service contract with the Company for a term of three years from March 3, 2025, subject to (i) re-election at the next annual general meeting of the Company and (ii) retirement by rotation and re-election at least once every three years, in accordance with the articles of association of the Company. According to the service contract, Dr. Ji will not receive remuneration as Director's fee, but is entitled to receive salary of RMB3,797,016 per annum (for the year of 2025) in the capacity of her being a member of the senior management of the Company. Dr. Ji will be entitled to a discretionary bonus as determined by the Company with reference to her performance, remuneration policy of the Company and the prevailing market conditions. Save for the emoluments relating to her role as an executive Director and senior management of the Company, Dr. Ji will not receive other emolument from the Group in respect of her other positions with the Company and other members of the Group.

Save as disclosed above, there is no information on any matter that needs to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules nor any other matters in relation to the appointment of Dr. Ji that needs to be brought to the attention of the shareholders or the Stock Exchange.

The Board wishes to take this opportunity to congratulate Dr. Ji on her new role.

By order of the Board
Abbisko Cayman Limited
Dr. Xu Yao-Chang
Chairman

Shanghai, March 3, 2025

As at the date of this announcement, the board of directors of the Company comprises Dr. Xu Yao-Chang, Dr. Yu Hongping and Dr. Ji Jing as executive directors; Dr. Sun Piaoyang, Mr. Sun Hongbin and Ms. Chui Hoi Yam as independent non-executive directors.