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

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2126)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2023

The board (the "**Board**") of directors (the "**Directors**") of JW (Cayman) Therapeutics Co. Ltd (the "**Company**") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the "**Group**", "**we**" or "**us**") for the six months ended June 30, 2023 (the "**Reporting Period**") together with the comparative figures for the corresponding period in 2022. These interim results have been reviewed by the Company's audit committee (the "**Audit Committee**") and the Company's auditor, PricewaterhouseCoopers.

INTERIM RESULTS HIGHLIGHTS

Financial Highlights

IFRS Measure:

- **Revenue** was RMB87.7 million for the six months ended June 30, 2023, representing an increase of 32.9% from RMB66.0 million for the six months ended June 30, 2022. This growth was attributed to the ongoing commercialization of our anti-CD19 autologous chimeric antigen receptor T ("**CAR-T**") cell immunotherapy product, Carteyva® (relmacabtagene autoleucel ("**relma-cel**"), R&D code: JWCAR029). Carteyva® was approved for treating adult patients with relapsed or refractory ("**r/r**") large B-cell lymphoma ("**LBCL**") and r/r follicular lymphoma ("**FL**"). As the market continues to evolve, we anticipate a sustained increase in revenue from the sales of Carteyva®, which has a superior product profile that could bring breakthrough value to patients and additional indications are expected to be approved.

- **Gross profit** was RMB44.8 million for the six months ended June 30, 2023, representing an increase of 93.9% from RMB23.1 million for the six months ended June 30, 2022. Gross profit margin of sales was 51.1% for the six months ended June 30, 2023, representing an increase from 35.0% for the six months ended June 30, 2022. The improvement was primarily due to the implementation of our cost reduction plan and achievement of economies of scale by treating more patients with Carteyva®.

- **Research and development ("R&D") expenses** amounted to RMB216.5 million for the six months ended June 30, 2023, representing an increase of 10.5% from RMB195.9 million for the six months ended June 30, 2022, primarily attributable to: (i) an increase in depreciation and amortization which principally resulted from our new vector manufacturing facility in Suzhou being put into use in the second half of 2022; and (ii) an increase in R&D materials and testing and clinical fees which resulted from pre-clinical research activities and different phases of clinical trials. The effects of the foregoing factors were partially offset by decreased employee benefit expenses.

- **Selling expenses** amounted to RMB60.2 million for the six months ended June 30, 2023, representing a decrease of 28.7% compared to RMB84.4 million for the six months ended June 30, 2022. This decrease was primarily due to reduced employee benefit expenses resulting from a streamlined commercial workforce which aimed at operating more efficiently to support the commercialization of Carteyva®.

- **General and administrative expenses** amounted to RMB78.7 million for the six months ended June 30, 2023, representing a decrease of 13.4% from RMB90.9 million for the six months ended June 30, 2022, primarily attributable to a decrease in employee benefit expenses.

- **Other gains and losses** amounted to net other losses of RMB81.2 million for the six months ended June 30, 2023, as compared to net other losses of RMB90.9 million for the six months ended June 30, 2022. These losses mainly arose from the unrealized foreign exchange loss as a result of the continuous weakening of the Renminbi ("**RMB**") against the U.S. dollar ("**USD**") and the HK dollar ("**HKD**") when exchanging from the transactional currency (RMB) to the functional currencies (USD and HKD) for our offshore companies within the Group. These unrealized foreign exchange losses are non-cash items.

- **Loss for the period** was RMB380.4 million for the six months ended June 30, 2023, as compared to RMB429.3 million for the six months ended June 30, 2022. The decrease was primarily attributable to: (i) increased revenue and gross profit generated from sales of Carteyva®; (ii) decreased selling expenses and general and administrative expenses resulting from further improved operation efficiency in the Reporting Period; and (iii) increased net finance income due to effective cash management. The effect of the factors mentioned above were partially offset by higher research and development expenses resulting from the expansion of various research and development initiatives.

- **Cash and cash equivalents** amounted to RMB1,272.9 million as at June 30, 2023, representing a net cash outflow of RMB110.4 million for the six months ended June 30, 2023 compared to RMB314.7 million for the six months ended June 30, 2022.

Non-IFRS Measure:

Adjusted loss[1] was RMB267.1 million for the six months ended June 30, 2023, representing a decrease of RMB22.1 million from RMB289.2 million for the six months ended June 30, 2022. The decrease was primarily attributable to increased revenue and gross profit from sales of Carteyva®.

BUSINESS HIGHLIGHTS

For the six months ended June 30, 2023, as an independent, innovative biotechnology company focused on developing, manufacturing and commercializing cell immunotherapy products, we have made significant further progress in our business, achieved important milestones, and comprehensively enhanced operation efficiency, such as further increased gross profit margin, well-controlled selling expenses, streamlined organization and reduced net cash outflow. Our lead product, Carteyva®, continued to make remarkable progress in its commercialization. Additionally, our outstanding clinical development and operational capabilities led to the National Medical Products Administration of China ("**NMPA**") approval of our investigational new drug ("**IND**") application relating to Carteyva® as a second-line therapy for transplant-ineligible patients with r/r LBCL, as well as NMPA approval of our IND application relating to relma-cel as a treatment for systemic lupus erythematosus ("**SLE**"). We also commenced an investigator-initiated trial ("**IIT**") of JWATM 214 for the treatment of solid tumors. Moreover, we have made significant progress in developing innovative products with global commercialization potential.

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

Since the beginning of 2023, we have achieved the following significant milestones in our business:

Commercialization

- In the first half of 2023, we generated 94 prescriptions of Carteyva® and completed 85 infusions.

- We continued to execute our cost reduction plans in the first half of 2023, which enabled us to further reduce cost of sales per batch and to increase our gross profit margin to 51.1% in the first half of 2023.

- As of June 30, 2023, Carteyva® has been listed in 62 commercial insurance products and 91 local governmental complementary medical insurance programs, and in the six months ended June 30, 2023, 49% of infused patients received insurance reimbursements, with an expense coverage ranging from 38% to 100%.

- We improved commercial operation efficiency with streamlined organization and less spending to drive sustained revenue growth.

Research and Development

Hematologic malignancies

- In March 2023, the NMPA approved our IND application for Carteyva® as a second-line therapy for transplant-ineligible patients with r/r LBCL.

- In March 2023, we announced the commencement of an IIT relating to Carteyva® as a first-line treatment for patients with high risk LBCL, and observed preliminary positive efficacy and safety data.

- In July 2023, we completed patient enrollment in our Phase II clinical trial of Carteyva® as a treatment for adults with r/r mantle cell lymphoma ("**MCL**") and expect to submit a supplemental NDA ("**sNDA**") by the end of 2023.

Autoimmune diseases

- In March 2023, to further evaluate relma-cel's potential for treatment of a broader range of diseases, we commenced an IIT in China to evaluate the safety, tolerability and pharmacokinetic profile of relma-cel as a treatment for patients with moderately or severely active SLE. Although preliminary, we have observed well managed safety profile and significant improvement of clinical symptoms in the first several patients enrolled.

- In April 2023, we received NMPA approval of our IND application relating to relma-cel as a treatment for SLE. We believe that we may be able to secure a first-mover advantage in a highly promising market through development of relma-cel as a treatment for SLE.

Solid tumors

- In February 2023, we commenced an IIT to evaluate JWATM214 as a treatment for patients with advanced hepatocellular carcinoma ("**HCC**"), and JWATM214 has already been administered to the first patient. JWATM214 is our novel product that combines JWATM204 with Lyell's T-cell anti-exhaustion technology.

- In the first half of 2023, we also commenced pre-clinical development of cell therapy products directed to melanoma-associated antigen A4 ("**MAGE-A4**") and Delta-like canonical Notch ligand 3 ("**DLL3**"), based on rights that we in-licensed from 2seventy bio, Inc. ("**2seventy bio**") and Juno Therapeutics Inc. ("**Juno**"), respectively, in the second half of 2022.

Discovery and Early Research

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

Manufacturing

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

- We continued to implement our cost reduction plans in the first half of 2023, which include procurement of important raw materials from domestic suppliers. As of June 30, 2023, we have commenced sourcing multiple materials from domestic suppliers, and going forward we plan to source additional raw materials from domestic suppliers.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Overview

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

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

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

Commercialization

Sales of Carteyva® continued its strong growth in the first half of 2023. In the six months ended June 30, 2023, we generated 94 prescriptions of Carteyva® and completed 85 infusions.

We have built a focused and dedicated commercial team to commercialize Carteyva® across China. We have a fully established commercial team with strong commercialization capabilities, including Sales, Marketing, CAR-T Consultant, Innovative Payment, Channel Management and Operation. To meet market development and customer needs, the structure of our commercial team has been optimized in respect of streamlined administration and improved operation efficiency. These teams are led by experienced commercial team leaders with a clear business model. To build a patient centric treatment model, we conducted training for each hospital to help physicians and nurses to gain a comprehensive understanding about Carteyva® and the entire process from prescription to infusion. Furthermore, we conducted a systematic evaluation of hospitals to ensure the administration of CAR-T products meet our standards. As of June 30, 2023, we had completed evaluation and training for 118 hospitals in China, and certified those hospitals as qualified to administer Carteyva®. In partnership with Shanghai Pharma KDL (上藥康德樂), as our national distributor, we have fully developed the distribution infrastructure to provide professional cell therapy product delivery services for each and every Carteyva®-prescribed patient.

To improve affordability, we have leveraged the development of China's multi-layer medical insurance system by listing Carteyva® in more local governmental complementary medical insurance programs and health insurance products. As of June 30, 2023, Carteyva® has been listed in 62 commercial insurance products and 91 local governmental complementary medical insurance programs. In the six months ended June 30, 2023, 42 Carteyva®-infused patients out of a total of 85 Carteyva®-infused patients received insurance reimbursements

(representing 49% of the Carteyva® infusions in the six months ended June 30, 2023) with an expense coverage ranging from 38% to 100%. To further alleviate financial pressure on patients, we continued to cooperate with industry-leading innovative payment platforms which are able to provide installment payment services or mortgage loans to patients receiving Carteyva®. We will continue to expand commercial insurance coverage and explore more innovative payment solutions with the goal of improving affordability for patients who are eligible to be treated with Carteyva®.

We have made further progress on implementation of the manufacturing cost reduction strategies that we established in 2020, which consist of the following elements: (i) near-term (1–2 years)-realize significant cost reduction by implementing technologies and procedures that optimize the use of raw materials; (ii) mid-term (2–3 years)-realize further cost reduction by replacing imported materials with domestic supplies; and (iii) long-term (3–5 years)-implement new technologies for process improvement and key materials utilization and thereby further reduce raw material and labor costs, and potentially shorten production cycle time. We successfully completed our near-term cost reduction plans in 2022, and we commenced our mid-term cost reduction plans in 2022, which enabled us to procure important raw materials from domestic suppliers. As of June 30, 2023, we have commenced sourcing multiple materials from domestic suppliers, and going forward we plan to source additional raw materials from domestic suppliers. As a result of localization of raw materials and treatment of more patients, cost of sales per batch further decreased by 18.1% in the six months ended June 30, 2023 as compared to the average cost of sales in 2022, which caused our gross profit margin to increase to 51.1%. We continue optimizing our manufacturing operations to improve efficiency and exploring new technologies for process improvement or new process platforms.

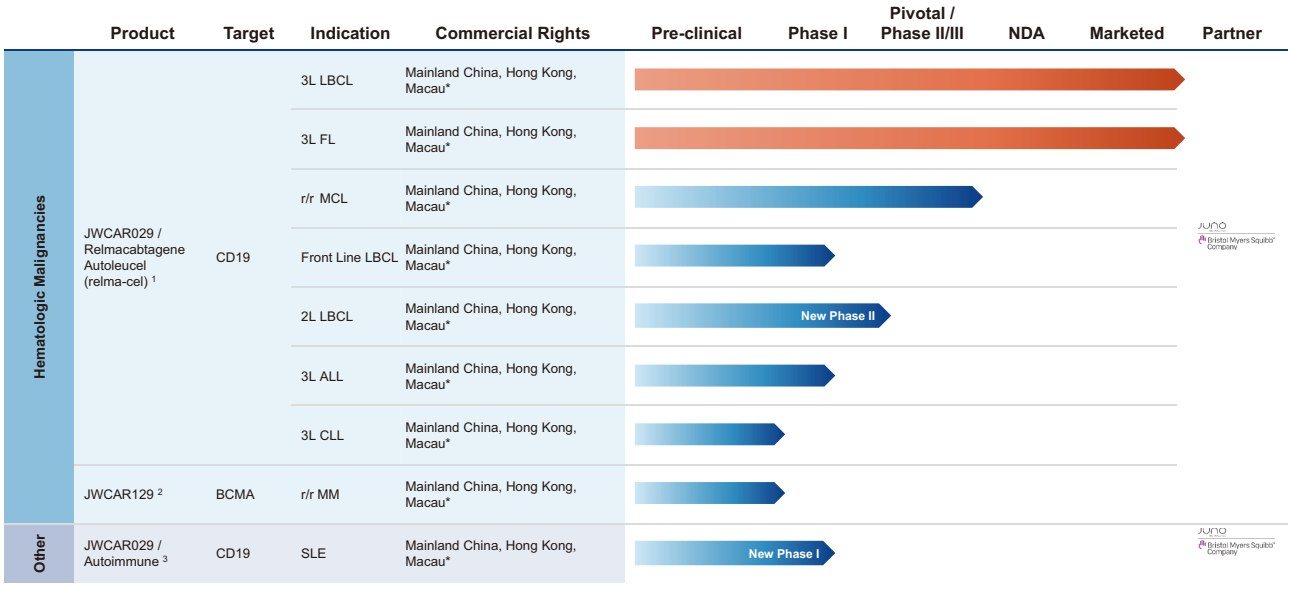
We continue to collaborate with stakeholders in the medical industry to establish best practices and industry standards for CAR-T therapies and enhance the administration and monitoring processes of CAR-T therapies to improve patient outcomes. With the proven efficacy of Carteyva®, increased adoption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

Our Product Pipeline

We have developed a robust and differentiated cell-based immunotherapy pipeline, with a risk-balanced approach that has shown clear benefit in the field of cell therapies for hematological cancers and provides an opportunity to expand into the nascent field of cell therapies for solid tumors and autoimmune diseases. Our product pipeline features a mix of product candidates targeting both proven and novel tumor antigens. In the first half of 2023, we made significant progress on the development of Carteyva® for the treatment of hematological malignancies, expanded our portfolio of products for the treatment of

solid tumors, and advanced relma-cel as a potential treatment for SLE, a widely prevalent autoimmune disease. With respect to hematological malignancies, we completed patient enrollment for r/r MCL and made further progress toward the milestone of submitting the sNDA by the end of 2023, among other clinical development milestones. With respect to solid tumors, we not only continued clinical development of JWATM204 and JWATM214, completing first patient infusions for both products as a treatment for HCC, but also commenced pre-clinical development of cell therapy product directed to MAGE-A4 and DLL3. Moreover, in March 2023, we initiated the clinical study of relma-cel as a treatment for patients with moderately or severely active SLE. We also received NMPA approval of an IND application relating to relma-cel as a treatment for SLE in April 2023, expanding our potential range into the treatment of autoimmune diseases. We believe that the Company may be able to secure a first-mover or early-mover advantage in a highly promising market through development of such therapy.

The following chart summarizes the current development status of our hematology pipeline which includes hematologic malignancies and autoimmune diseases:



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

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

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

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

3. SLE is a chronic autoimmune disease characterized by the production of autoantibodies and abnormal B-lymphocyte function. To further extend relma-cel's potential in broader disease area, we are planning a study to evaluate the safety, tolerability, and pharmacokinetic profile of relma-cel in Chinese patients with moderately or severely active SLE.

Hematologic Malignancies

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

Carteyva®, our lead product, has the potential to be a CAR-T therapy with superior efficacy and safety profile. It targets an antigen called CD19, which is expressed in a broad range of hematological cancers. Lymphomas are hematological cancers involving lymphoceles of the immune system, and LBCL and FL are types of non-Hodgkin's lymphoma ("**NHL**") that affect B-cells within the immune system. In addition to marketing Carteyva® as a third-line treatment for LBCL, we are also exploring the further clinical potential for Carteyva® by developing relma-cel as a third-line treatment for other types of NHL, including acute lymphoblastic leukemia ("**ALL**") and chronic lymphocytic leukemia ("**CLL**"), as a treatment for r/r MCL and moreover as a frontline and second-line treatment for LBCL.

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

Third-line LBCL

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

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

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

in June 2022. Although head-to-head studies with comparable products have not been conducted, we believe that these data demonstrate a potential best-in-class safety profile and competitive efficacy of Carteyva® and its ability to provide long-term benefit to patients.

Second-line LBCL

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

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

Frontline LBCL

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

These trial data, if favorable, may then be used to design and conduct an expanded Phase I trial of LBCL patients without prior chemotherapy or a larger registrational trial in frontline LBCL similar to the approach described for the initial IIT in the frontline setting. Although preliminary, we observed an ORR of 75% at 3 months and a superior safety profile. We currently expect to disclose the primary data toward the end of 2023.

Third-line FL

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

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

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

In December 2022, we reported cohort B clinical response of this pivotal Phase II RELIANCE study on efficacy and safety of Carteyva® in adults with r/r FL in China at the 64th Annual Meeting of the American Society of Hematology. As of the data cut-off date of December 17, 2021, based on 28 patients who had been treated with Carteyva® with 11.7 months of median follow-up, Carteyva® demonstrated remarkable clinical responses, achieving high rates of CRR and ORR (best ORR and best CRR were 100.0% and 92.6% respectively) and a manageable safety profile — only one patient experienced grade 3 or above NT, and no patient experienced grade 3 or above CRS. We are continuing the RELIANCE study.

r/r MCL

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

At the 64th Annual Meeting of the American Society of Hematology in December 2022, we reported preliminary safety and efficacy data for our study of Carteyva® as a treatment for MCL. As of November 30, 2021, the preliminary data based on 11 patients showed a promising clinical efficacy outcome (best ORR = 81.8% and best CRR = 54.5%) in high risk patients with r/r MCL. In those 11 patients, the incidence of safety-related effects was low-only one patient experienced grade 3 or above CRS, and only one patient experienced immune effector cell-associated neurotoxicity syndrome. Based on this progress, we currently expect to submit an sNDA to the NMPA by the end of 2023. Moreover, we currently expect to report updated safety and efficacy data at the 65th Annual Meeting of the American Society of Hematology to be held in December 2023.

Third-line ALL

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

JWCAR129

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

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

Autoimmune Diseases

Systemic Lupus Erythematosus ("SLE")

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

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

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

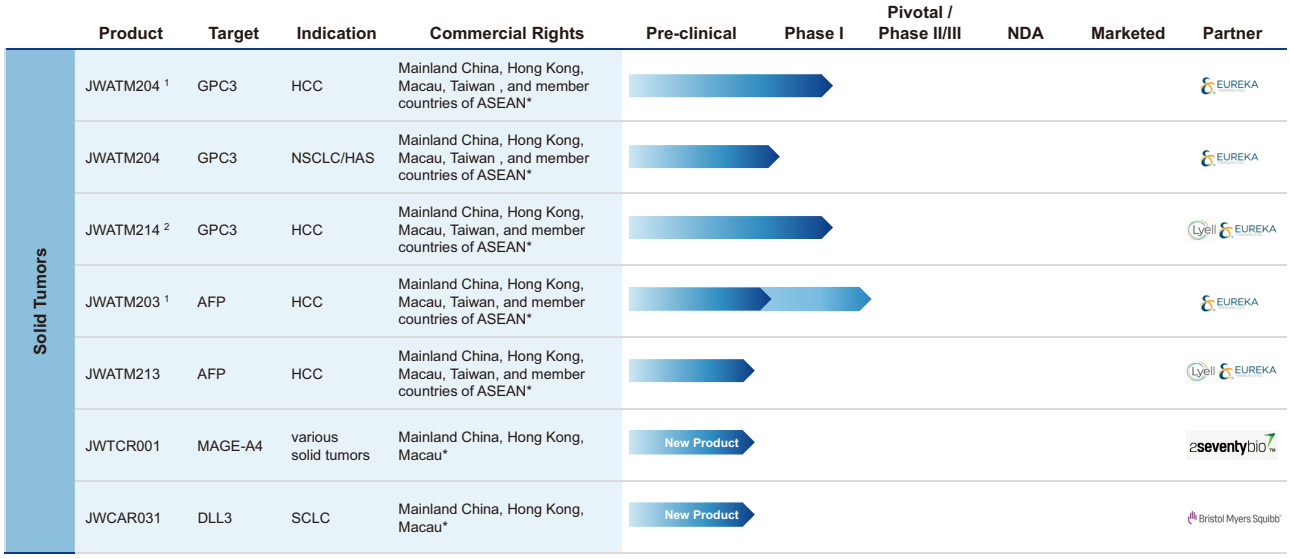
[4] *Rees F, Doherty M, Grainge MJ, et al. The Worldwide Incidence and Prevalence of Systemic Lupus Erythematosus: A Systematic Review of Epidemiological Studies. Rheumatology. 2017; 56(11): 1945 -1961. Applied 30 cases/100,000 and assuming 900 million as China adult population in 2017.*

To further extend relma-cel's potential in broader disease area, we initiated a clinical study to evaluate the safety, tolerability, and pharmacokinetic profile of relma-cel in Chinese patients with moderately or severely active SLE. The efficacy of relma-cel and the recommended Phase II dose ("**RP2D**") in SLE will also be explored in the study. We received NMPA approval of our IND application relating to relma-cel as a treatment for SLE in April 2023. We believe that the Company may be able to secure a first-mover or early-mover advantage in this highly promising market through development of such therapy.

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

Solid Tumors

The following chart summarizes the current development status of each of solid tumor candidates:



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

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

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

2. Developing using Lyell technology.

JWATM204/214

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

Through our partnerships with Eureka and Lyell, we have combined Lyell's technology in T-cell anti-exhaustion functionality with JWATM204 to create a novel product, JWATM214, for HCC treatment. In 2022, we focused on vector manufacturing process development for the JWATM214 program and have a vector manufacturing process development based entirely in China. In February 2023, we commenced an IIT relating to JWATM214 as a treatment for patients with advanced HCC. We plan to continue to progress to higher cell doses with JWATM214.

JWATM203/213

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

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

JWTCR001

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

In October 2022, we established a strategic alliance with 2seventy bio to develop and commercialize a cell therapy product directed to MAGE-A4 (including any mutations, fragments, modifications or derivatives of the engineered binding element for MAGE-A4) in oncology indications. The agreement is focused on the technologies and know-how possessed by 2seventy bio, and also includes future prospects for the development and commercialization of the product in Greater China based on addressable patient population and unmet medical needs. We believe that the Company may be able to secure a first-mover or early-mover advantage in a highly promising market through development of such a therapy. We have established our manufacturing process and plan to commence patient screening from the fourth quarter of 2023 and start to dose patients from early of 2024.

JWCAR031

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

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

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

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

Discovery and Pre-clinical Research

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

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

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

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

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

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

Indication	Target	Commercial Rights	Pre-clinical	IIT
Autoimmune diseases	Dual Targeting	Worldwide		Expected in Q2/3 2024
B-cell malignancies	Dual Targeting	Worldwide		Expected in Q4 2024
Solid tumor 1	To be announced	Worldwide		Expected in Q1 2025
Solid tumor 2	To be announced	Worldwide		Expected in Q3 2025

Lastly, we are exploring innovative approaches to simplify the manufacturing process. We are investigating the feasibility of non-viral methods that involve genomic editing and off-the-shelf CAR products for various indications. These approaches may potentially expedite the delivery of therapies to patients and reduce overall production costs.

Manufacturing

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

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

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

Future and Development

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

- Drive full scale commercialization of Carteyva®.

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

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

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

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

FINANCIAL REVIEW

Six Months Ended June 30, 2023 Compared to Six Months Ended June 30, 2022

IFRS Measure:

	Six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue	**87,740**	66,007
Cost of sales	**(42,927)**	(42,876)
Gross profit	**44,813**	23,131
General and administrative expenses	**(78,694)**	(90,922)
Research and development expenses	**(216,531)**	(195,887)
Selling expense	**(60,168)**	(84,447)
Other income	**1,836**	7,106
Other gains/(losses), net	**(81,176)**	(90,936)
Operating loss	**(389,920)**	(431,955)
Finance income	**15,088**	5,400
Finance costs	**(5,583)**	(2,699)
Finance income/(costs) — net	**9,505**	2,701
Loss before income tax	**(380,415)**	(429,254)
Income tax expense	**—**	—
Loss for the period	**(380,415)**	(429,254)
Other comprehensive income/(loss):		
Items that will not be reclassified to profit or loss		
— Exchange differences on translation	**134,570**	191,324
Other comprehensive income/(loss) for the period, net of tax	**134,570**	191,324
Total comprehensive loss for the period	**(245,845)**	(237,930)
Non-IFRS measure:		
Adjusted loss for the period	**(267,072)**	(289,204)

1. Revenue

Revenue was RMB87.7 million for the six months ended June 30, 2023, as compared to RMB66.0 million for the six months ended June 30, 2022. Revenue was recognized at the point of infusion. This growth was attributed to the ongoing commercialization of our anti-CD19 autologous CAR-T cell immunotherapy product, Carteyva® (relma-cel, R&D code: JWCAR029). Carteyva® was approved for treating adult patients with r/r LBCL and r/r FL. As the market continues to evolve, we anticipate a sustained increase in revenue from the sales of Carteyva®, which has a superior product profile that could bring break through value to patients and additional indications are expected to be approved.

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

	Six months ended June 30,			
	2023		2022	
	RMB'000	***%***	*RMB'000*	*%*
	(Unaudited)		(Unaudited)	
Carteyva®	**87,740**	**100.0**	66,007	100.0
Total revenue	**87,740**	**100.0**	66,007	100.0

2. Cost of Sales

Cost of sales was RMB42.9 million for the six months ended June 30, 2023, as compared to RMB42.9 million for the six months ended June 30, 2022. Cost of sales primarily consists of raw material costs, staff costs, depreciation and amortization, manufacturing overhead and others.

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

	Six months ended June 30,			
	2023		2022	
	RMB'000	***%***	*RMB'000*	*%*
	(Unaudited)		(Unaudited)	
Carteyva®	**42,927**	**100.0**	42,876	100.0
Total cost of sales	**42,927**	**100.0**	42,876	100.0

3. Gross Profit and Gross Profit Margin

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

Gross profit was RMB44.8 million with 93.9% growth and gross profit margin was 51.1% for the six months ended June 30, 2023, compared to RMB23.1 million and 35.0%, respectively, for the six months ended June 30, 2022.

4. Research and Development Expenses

The following table provides a breakdown of research and development expenses for the six months ended June 30, 2022 and 2023:

	Six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Employee benefit expenses	**92,012**	94,135
R&D materials	**42,297**	34,630
Testing and clinical fees	**38,520**	33,057
Depreciation and amortization	**30,648**	23,083
Office expenses	**8,512**	4,450
Others	**4,542**	6,532
Research and development expenses	**216,531**	195,887

Research and development expenses increased from RMB195.9 million for the six months ended June 30, 2022 to RMB216.5 million for the six months ended June 30, 2023. This increase was primarily attributable to: (i) an increase of approximately RMB7.6 million in depreciation and amortization which principally resulted from our new vector manufacturing facility in Suzhou being put into use in the second half of 2022; and (ii) an increase of approximately RMB7.7 million and RMB5.5 million in R&D materials and testing and clinical fees respectively which resulted from pre-clinical research activities and different phases of clinical trials. The effects of the foregoing factors were partially offset by decreased employee benefit expenses.

5. General and Administrative Expenses

The following table provides a breakdown of general and administrative expenses for the six months ended June 30, 2022 and 2023:

	Six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Employee benefit expenses	**46,831**	56,462
Professional service fees	**15,471**	16,816
Depreciation and amortization	**6,344**	6,048
Office expenses	**6,019**	6,647
Non-audit remuneration	**555**	497
Others	**3,474**	4,452
General and Administrative Expenses	**78,694**	90,922

General and administrative expenses decreased from RMB90.9 million for the six months ended June 30, 2022 to RMB78.7 million for the six months ended June 30, 2023. This decrease resulted primarily from a decrease of approximately RMB9.6 million in employee benefit expenses.

6. Selling Expenses

The following table provides a breakdown of selling expenses for the six months ended June 30, 2022 and 2023:

	Six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Employee benefit expenses	**30,122**	51,917
Business promotion fees	**25,932**	26,383
Professional service fees	**1,508**	4,590
Office expenses	**2,044**	968
Others	**562**	589
Selling expenses	**60,168**	84,447

Selling expenses decreased from RMB84.4 million for the six months ended June 30, 2022 to RMB60.2 million for the six months ended June 30, 2023. This decrease was primarily due to reduced employee benefit expenses resulting from a streamlined commercial workforce which aimed at operating more efficiently to support the commercialization of Carteyva®.

7. Other Income

Other income amounted to RMB1.8 million for the six months ended June 30, 2023, as compared to RMB7.1 million for the six months ended June 30, 2022. Other income in both periods was related to government grants.

8. Other Gains and Losses

Other gains and losses amounted to net other losses of RMB81.2 million for the six months ended June 30, 2023, as compared to net other losses of RMB90.9 million for the six months ended June 30, 2022. This change resulted primarily from a net foreign exchange loss of RMB81.4 million for the six months ended June 30, 2023, as compared to a net foreign exchange loss of RMB91.1 million for the six months ended June 30, 2022. These losses mainly arose from the unrealized foreign exchange loss as a result of the continuous weakening of RMB against USD and HKD when exchanging from the transactional currency (RMB) to the functional currencies (USD and HKD) for our offshore companies within the Group. These unrealized foreign exchange losses are non-cash items.

9. Income Tax Expense

For the six months ended June 30, 2022 and 2023, we did not incur any income tax expense, as we did not generate taxable income in either period.

10. Loss for the Period

As a result of the above items, loss for the period was RMB380.4 million for the six months ended June 30, 2023, as compared to RMB429.3 million for the six months ended June 30, 2022. The decrease was primarily attributable to: (i) increased revenue and gross profit generated from sales of Carteyva®; (ii) decreased selling expenses and general and administrative expenses resulting from further improved operation efficiency in the Reporting Period; and (iii) increased net finance income due to effective cash management. The effect of the factors mentioned above were partially offset by higher research and development expenses resulting from the expansion of various research and development initiatives.

11. Non-IFRS Measure

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

Adjusted loss was RMB267.1 million for the six months ended June 30, 2023, representing a decrease of RMB22.1 million from RMB289.2 million for the six months ended June 30, 2022. The decrease was primarily attributable to increased revenue and gross profit from sales of Carteyva®.

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

	Six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Loss for the period	**(380,415)**	(429,254)
Added:		
Share-based compensation expenses	**31,954**	48,970
Net foreign exchange losses	**81,389**	91,080
Adjusted loss for the period (Non-IFRS)	**(267,072)**	(289,204)

Selected Data from Statement of Financial Position

	As at June 30, 2023 ***RMB'000*** **(Unaudited)**	As at December 31, 2022 *RMB'000* (Audited)
Total current assets	**1,341,204**	1,485,168
Total non-current assets	**1,311,171**	1,306,179
Total assets	**2,652,375**	2,791,347
Total current liabilities	**348,552**	310,835
Total non-current liabilities	**163,403**	126,228
Total liabilities	**511,955**	437,063
Net current assets	**992,652**	1,174,333

12. Liquidity and Sources of Funding and Borrowing

As at June 30, 2023, current assets amounted to RMB1,341.2 million, including cash and cash equivalents of RMB1,272.9 million and other current assets of RMB68.3 million. As at the same date, current liabilities amounted to RMB348.6 million, primarily including borrowings of RMB213.3 million, trade and other payables of RMB93.0 million, and contract liability of RMB25.2 million.

Since 2022, we strictly controlled our cash expenditures and actively diversified and expanded our financing channels to provide financial assurance for our future development. As at June 30, 2023, we have unsecured bank borrowings in the amount of RMB337.3 million, which includes: (i) unsecured long term bank borrowings in the amount of RMB135.0 million; and (ii) unsecured bank liquidity borrowings drawdown in the amount of RMB202.3 million from the bank facilities which multiple banks have granted. As of the date of this announcement, the Group has available unutilized bank loan facilities of RMB400.2 million.

As at June 30, 2023, cash and cash equivalents were RMB1,272.9 million, representing a net cash outflow of RMB110.4 million for the six months ended June 30, 2023 compared to RMB314.7 million for the six months ended June 30, 2022. The cash outflow was primarily due to payments of research and development expenses, general and administrative expenses, selling expenses and capital expenditure for long term assets. Those payments were partially offset by increased revenue and above bank borrowings.

13. Key Financial Ratios

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

	As at June 30, 2023	As at December 31, 2022
Current ratio[(1)]	**3.8**	4.8
Ratio of total liabilities to total assets[(2)]	**0.2**	0.2
Gearing ratio[(3)]	**N/A[(4)]**	N/A[(4)]

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

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

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

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

14. Material Investments

We did not make any material investments during the six months ended June 30, 2023.

15. Material Acquisitions and Disposals

We did not engage in any material acquisitions or disposals during the six months ended June 30, 2023.

16. Pledge of Assets

As at June 30, 2023, the Group had no pledge of assets.

17. Contingent Liabilities

As at June 30, 2023, we did not have any material contingent liabilities.

18. Foreign Exchange Exposure

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

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the Reporting Period. Differences arising on settlement or translation of monetary items are recognized in profit or loss. During the six months ended June 30, 2023, foreign exchange risk arose from the assets and liabilities denominated in RMB which is different from the functional currencies of the Company due to the weakening of RMB against USD and HKD in the first half of 2023. The management seeks to limit our exposure to foreign currency risk by closely monitoring and minimizing its net foreign currency position. During the Reporting Period, the Group did not enter into any currency hedging transactions.

19. Employees and Remuneration

As of June 30, 2023, we had 490 employees representing a decrease of 16.8% from 589 employees as of June 30, 2022. The following table sets forth the total number of employees by function as of June 30, 2023:

	Number of Employees	**% of total**
Technical operations	196	40.0
Quality	94	19.2
Research and development	85	17.3
Commercial	73	14.9
Support functions and business development	42	8.6
Total	490	100.0

The total remuneration cost (including Directors' emoluments) incurred by the Group for the six months ended June 30, 2023 was RMB174.5 million, as compared to RMB207.8 million for the six months ended June 30, 2022.

The remuneration of the employees of the Group comprises salaries, bonuses, employees provident fund and social security contributions, other welfare payments and share-based compensation expenses. In accordance with applicable Chinese laws, the Group has made contributions to social security insurance funds (including pension plans, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance) and housing funds for the Group's employees.

The Company has also adopted the Pre-IPO Incentivization Scheme, the Restricted Share Unit Schemes, the Post-IPO Incentivization Scheme and the Post-IPO Restricted Share Unit Scheme while no restricted share units or share options being granted to any directors or employees for the six months ended June 30, 2023. Please refer to the section headed "Statutory and General Information — D. Share Incentivization Schemes" in Appendix V to the prospectus dated October 22, 2020 (the "**Prospectus**") for further details.

EVENTS AFTER THE REPORTING PERIOD

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

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

FOR SIX MONTHS ENDED JUNE 30, 2023

	Note	Six months ended June 30,	
		2023	2022
		RMB'000	*RMB'000*
		(Unaudited)	(Unaudited)
Revenue	*3*	**87,740**	66,007
Cost of sales		**(42,927)**	(42,876)
Gross profit		**44,813**	23,131
Other income	*4*	**1,836**	7,106
Other losses — net	*5*	**(81,176)**	(90,936)
Selling expenses		**(60,168)**	(84,447)
General and administrative expenses		**(78,694)**	(90,922)
Research and development expenses		**(216,531)**	(195,887)
Operating loss		**(389,920)**	(431,955)
Finance income		**15,088**	5,400
Finance costs		**(5,583)**	(2,699)
Finance income — net		**9,505**	2,701
Loss before income tax		**(380,415)**	(429,254)
Income tax expense	*6*	**—**	—
Loss for the period and attribute to the equity holders of the Company		**(380,415)**	(429,254)
Loss per share for the loss attributable to owners of the Company			
— Basic and diluted *(in RMB)*	*7*	**(0.93)**	(1.05)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

FOR SIX MONTHS ENDED JUNE 30, 2023

	Six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Loss for the period	**(380,415)**	(429,254)
Other comprehensive income:		
Items that will not be reclassified to profit or loss		
— Exchange differences on translation	**134,570**	191,324
Other comprehensive income for the period, net of tax	**134,570**	191,324
Total comprehensive loss for the period and attribute to the equity holders of the Company	**(245,845)**	(237,930)

CONDENSED CONSOLIDATED BALANCE SHEETS

AS OF JUNE 30, 2023

	Note	**As at June 30, 2023** ***RMB'000*** **(Unaudited)**	As at December 31, 2022 *RMB'000* (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**317,509**	348,107
Right-of-use assets		**53,970**	45,112
Intangible assets	*9*	**916,655**	893,684
Prepayment for license		**7,226**	6,965
Other non-current assets		**15,811**	12,311
Total non-current assets		**1,311,171**	1,306,179
Current assets			
Inventories	*10*	**41,058**	40,159
Other current assets		**9,158**	9,700
Trade receivable	*11*	**—**	5,305
Other receivables and prepayments		**18,095**	22,553
Cash and cash equivalents		**1,272,893**	1,383,336
Amount due from related party	*12*	**—**	24,115
Total current assets		**1,341,204**	1,485,168
Total assets		**2,652,375**	2,791,347
EQUITY			
Equity attribute to the owners of the Company			
Share capital		**27**	27
Reserves		**6,718,146**	6,551,595
Accumulated losses		**(4,577,753)**	(4,197,338)
Total equity		**2,140,420**	2,354,284

CONDENSED CONSOLIDATED BALANCE SHEETS (CONT'D)

AS OF JUNE 30, 2023

	Note	**As at June 30, 2023** ***RMB'000*** **(Unaudited)**	As at December 31, 2022 *RMB'000* (Audited)
LIABILITIES			
Non-current liabilities			
Borrowings	*14*	**124,000**	92,500
Lease liabilities		**39,403**	33,728
Total non-current liabilities		**163,403**	126,228
Current liabilities			
Borrowings	*14*	**213,300**	142,300
Lease liabilities		**13,934**	10,600
Trade and other payables	*13*	**93,049**	157,935
Contract liability		**25,154**	—
Other current liabilities		**3,115**	—
Total current liabilities		**348,552**	310,835
Total liabilities		**511,955**	437,063
Total equity and liabilities		**2,652,375**	2,791,347

1 General information

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

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

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

The condensed interim financial information was approved for issue by the directors on August 29, 2023.

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

2 Material accounting policy information

2.1 Basis of preparation

This condensed interim financial information for the six months ended June 30, 2023 has been prepared in accordance with International Accounting Standard ("**IAS**") 34, "Interim Financial Reporting" issued by the International Accounting Standards Board ("**IASB**"). This Condensed Interim Financial Information should be read in conjunction with the annual financial statements for the year ended December 31, 2022, which have been prepared in accordance with International Financial Reporting Standards ("**IFRSs**") issued by the IASB.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial liabilities at fair value through profit or loss, which are carried at fair value.

Except as described below and for the estimation of income tax using the tax rate that would be applicable to expected total annual earning, the material accounting policy information and methods of computation used in the preparation of the Condensed Interim Financial Information are consistent with the 2022 Annual Financial Statements.

2.2 New standards, amendments and interpretation adopted by the Group

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

- Insurance Contracts — Amendments to IAS 16
- Disclosure of Accounting Policies — Amendments to IAS 1 and IFRS Practice Statement 2
- Definition of Accounting Estimates — Amendments to IAS 8
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction — Amendments to IAS 12

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

2.3 New standards and interpretations not yet adopted

Certain new accounting standard, amendments and interpretation have been published but are not mandatory for the financial year beginning January 1, 2023 and have not been early adopted by the Group. These new accounting standard, amendments and interpretation are not expected to have a material impact on the Group's financial statements when they become effective.

3 Revenue

	Six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from sales of goods		
— at point in time	**87,740**	66,007

4 Other income

	Six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Government grants — cost related *(Note)*	**1,836**	7,106

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

5 Other losses — net

	Six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Net foreign exchange loss	**(81,389)**	(91,080)
Fair value gain on financial instruments at fair value through profit or loss	**—**	223
Others	**213**	(79)
Total	**(81,176)**	(90,936)

6 Income tax expense

	Six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current income tax	**—**	—
Deferred income tax	**—**	—
	—	—

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

(a) Cayman Islands income tax

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

(b) Hong Kong income tax

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

(c) The PRC corporate income tax

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

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

7 Loss per share

(a) Basic loss per share

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

	Six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Loss attributable to the ordinary equity holders of the Company *(RMB'000)*	**(380,415)**	(429,254)
Weighted average number of ordinary shares in issue *(in thousand)*	**411,127**	408,382
Basic loss per share *(RMB)*	**(0.93)**	(1.05)

(b) Diluted loss per share

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

For the period ended June 30, 2023, the Company had one category of potential ordinary shares: the stock options granted to employees. As the Group incurred losses for the period ended June 30, 2023, the potential ordinary shares were not included in the calculation of diluted loss per share as their inclusion would be anti-dilutive. Accordingly, diluted loss per share for the period ended June 30, 2023 are the same as basic loss per share.

8 Dividend

No dividend was paid nor declared by the Company for the period ended June 30, 2023 (six months ended June 30, 2022: Nil).

9 Intangible assets

	Computer software *RMB'000*	Licenses *RMB'000* *(Note)*	Construction in progress *RMB'000*	Total *RMB'000*
Six months ended June 30, 2022 (Unaudited)				
Opening net book amount	46,710	768,002	1,577	816,289
Additions	—	—	1,433	1,433
Transfer	1,433	—	(1,433)	—
Amortization charges	(2,798)	(5,421)	—	(8,219)
Currency translation differences	—	40,299	—	40,299
Closing net book amount	45,345	802,880	1,577	849,802
As at June 30, 2022 (Unaudited)				
Cost	50,767	811,823	1,577	864,167
Accumulated amortization	(5,422)	(8,943)	—	(14,365)
Net book amount	45,345	802,880	1,577	849,802
Six months ended June 30, 2023 (Unaudited)				
Opening net book amount	44,222	849,334	128	893,684
Additions	—	—	122	122
Transfer	85	—	(85)	—
Amortization charges	(3,001)	(5,896)	—	(8,897)
Currency translation differences	—	31,746	—	31,746
Closing net book amount	41,306	875,184	165	916,655
As at June 30, 2023 (Unaudited)				
Cost	52,623	895,698	165	948,486
Accumulated amortization	(11,317)	(20,514)	—	(31,831)
Net book amount	41,306	875,184	165	916,655

Notes:

Licenses Recognition

(i) License and Strategic Alliance Agreement

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

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

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

(ii) BCMA license

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

(iii) Eureka licenses

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

(iv) 2seventy license

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

As at June 30, 2023, BCMA license, Eureka licenses and 2seventy license with total net book value of RMB776,340,000 were not ready for use.

10 Inventories

	As at June 30, 2023 *RMB'000* (Unaudited)	As at December 31, 2022 *RMB'000* (Audited)
Raw materials	**32,516**	29,821
Work in progress	**8,542**	10,338
Total	**41,058**	40,159

11 Trade receivable

	As at June 30, 2023 *RMB'000* (Unaudited)	As at December 31, 2022 *RMB'000* (Audited)
Trade receivables from contracts with customer	**—**	5,305
Total	**—**	5,305

As of June 30, 2023 and December 31, 2022, the aging analysis of the trade receivables based on invoice date is as follows:

	As at June 30, 2023 *RMB'000* (Unaudited)	As at December 31, 2022 *RMB'000* (Audited)
Within 30 days	**—**	5,305

The maximum exposure to credit risk at June 30, 2023 and December 31, 2022 is the carrying value of each class of receivables mentioned above.

The carrying amounts of the Group's trade receivables approximate their fair values.

The carrying amounts of trade receivables are primarily denominated in RMB.

12 Amount due from related party

	As at June 30, 2023 ***RMB'000*** **(Unaudited)**	As at December 31, 2022 *RMB'000* (Audited)
Yiping James Li *(Note)*	**—**	24,115

Note: On March 6, 2022, the Company, JW Shanghai and Dr. Yiping James Li, the Chairman of the Company entered into a tri-party agreement (the "**Agreement**"). Pursuant to the Agreement, JW Shanghai provides Dr. Li one year loan facility of up to HKD43 million for the purpose to withhold the individual income tax in relation to the restricted share units and share options granted to Dr. Li by the Company. Total amount of RMB23.6 million was drew in April and May of 2022. This loan was secured by certain shares legally and beneficially owned by Dr. Li himself or through companies wholly-owned by him and bearing an interest rate of 3.6% per annum. This loan was fully repaid in April and May of 2023.

13 Trade and other payables

	As at June 30, 2023 ***RMB'000*** **(Unaudited)**	As at December 31, 2022 *RMB'000* (Audited)
Trade payables	**6,825**	7,604
Payables for purchase of services and R&D materials	**35,625**	63,551
Accrued expenses	**24,718**	32,523
Staff salaries and welfare payables	**17,072**	38,941
Payables for purchase of property, plant and equipment	**5,398**	10,288
Payroll tax	**2,411**	4,028
Deferred income	**1,000**	1,000
Total	**93,049**	157,935

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

	As at June 30, 2023 ***RMB'000*** **(Unaudited)**	As at December 31, 2022 *RMB'000* (Audited)
Less than 1 year	**6,825**	7,604

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

	As at June 30, 2023 ***RMB'000*** **(Unaudited)**	As at December 31, 2022 *RMB'000* (Audited)
RMB	**59,041**	109,356
USD	**9,290**	15,573
SGD	**—**	483
	68,331	125,412

14 Borrowings

	As at June 30, 2023 ***RMB'000*** **(Unaudited)**	As at December 31, 2022 *RMB'000* (Audited)
Non-current unsecured bank borrowings	**135,000**	97,500
Less: Current portion of long-term borrowings	**(11,000)**	(5,000)
Total non-current unsecured bank borrowings	**124,000**	92,500
Current unsecured bank borrowings	**202,300**	137,300
Current portion of long-term borrowings	**11,000**	5,000
Total current unsecured bank borrowings	**213,300**	142,300

USE OF NET PROCEEDS FROM LISTING

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

The net proceeds (adjusted on a pro rata basis based on the actual net proceeds) have been utilized in accordance with the purposes set out in the Prospectus. The table below sets out the planned applications of the net proceeds and actual usage up to June 30, 2023:

Intended Applications	**Amount of net proceeds** *(HKD million)*	**Percentage of total net proceed**	**Net proceeds brought forward for the Reporting Period** *(HKD million)*	**Actual usage up to June 30, 2023** *(HKD million)*	**Unutilized net proceeds as of June 30, 2023** *(HKD million)*
Research and development activities relating to relma-cel	748.74	30.0%	135.46	135.46	—
Building a focused in-house sales and marketing team to market relma-cel across Mainland China	249.58	10.0%	—	—	—
Research and development activities relating to JWCAR129	149.75	6.0%	78.34	—	78.34
Research and development activities relating to our other pre-clinical product candidates including our JWATM203 Program, our JWATM204 Program and Nex-G	698.82	28.0%	454.69	38.93	415.76
Acquisition of the Acepodia license through exercising the Acepodia Option	99.83	4.0%	99.83	—	99.83
New potential acquisitions and in-licensing opportunities	299.50	12.0%	275.79	—	275.79
Working capital and general corporate purposes	249.58	10.0%	65.01	46.24	18.77
Total	2,495.80	100.0%	1,109.12	220.63	888.49

As of June 30, 2023, the net proceeds applied for research and development activities relating to relma-cel and building a focused in-house sales and marketing team to market relma-cel across Mainland China have been fully utilized and the rest of the planned applications of the net proceeds are expected to be fully utilized by June 30, 2025. The expected timeline for utilizing the remaining proceeds is based on the best estimation of the future market conditions made by the Group. It will be subject to change based on the current and future development of market conditions.

INTERIM DIVIDEND

The Board has resolved not to recommend the payment of interim dividend for the six months ended June 30, 2023 (six months ended June 30, 2022: Nil).

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the "**CG Code**") as set out in Appendix 14 to the Listing Rules as its own code of corporate governance during the six months ended June 30, 2023.

Except as expressly described below, the Company has complied with all applicable code provisions of the CG Code during the six months ended June 30, 2023.

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

Dr. Yiping James Li ("**Dr. Li**") is currently the chairman of the Board (the "**Chairman**") and chief executive officer of the Company (the "**CEO**"). We consider that having Dr. Li acting as both the Chairman and CEO will provide a strong and consistent leadership to us and allow for more effective planning and management of the Group. Pursuant to code provision C.2.1 in Part 2 of the CG Code, the roles of the chairman of the Board and CEO should be separate and should not be performed by the same individual. However, in view of Dr. Li's extensive experience in the industry, personal profile and critical role in the Group and our historical development, we consider that it is beneficial to the business prospects of the Group that Dr. Li continues to act as both the Chairman and CEO upon Listing.

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

Non-Compliance with the Requirements Under the Listing Rules

Following the resignation of Mr. Chi Shing Li ("**Mr. Li**") as Director on January 1, 2023, the composition of the Board comprises one executive Director, five non-executive Directors and two independent non-executive Directors, and each of the remuneration Committee (the "**Remuneration Committee**") and nomination committee (the "**Nomination Committee**") of the Company comprise two members only. Accordingly, the Company failed to meet the following requirements during the three months grace period granted under the Listing Rules:

(a) at least three independent non-executive directors on the Board under Rule 3.10(1) of the Listing Rules;

(b) the Remuneration Committee chaired by an independent non-executive director and comprising a majority of independent non-executive directors under Rule 3.25 of the Listing Rules and the relevant terms of reference of the Company; and

(c) the Nomination Committee chaired by the chairman of the board or an independent non-executive director and comprising a majority of independent non-executive directors under Rule 3.27A of the Listing Rules and the relevant terms of reference of the Company.

Following the appointment of Dr. Debra Yu as a Director which took effect from March 1, 2023, the Company has fully complied with the requirements as set out in Rules 3.10(1), 3.25 and 3.27A of the Listing Rules. For details, please refer to the Company's announcement dated March 1, 2023.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted its own code of conduct regarding securities transactions, namely the Code for Securities Transactions by Directors (the "**Securities Transactions Code**"), which applies to all Directors on terms no less than the required standard indicated by the Model Code for Securities Transactions by Directors of Listed Issuers as set out in the Appendix 10 to the Listing Rules (the "**Model Code**").

Specific enquiry has been made to all the Directors and they have confirmed that they have complied with the Securities Transactions Code during the six months ended June 30, 2023.

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

Neither the Company nor any of its subsidiaries have purchased, redeemed or sold any of the Company's listed securities during the six months ended June 30, 2023.

AUDIT COMMITTEE

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

The Audit Committee had, together with the management and external auditor of the Company, reviewed the accounting principles and policies adopted by the Group and the unaudited condensed consolidated financial statements of the Group for the six months ended June 30, 2023.

PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND 2023 INTERIM REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This interim results announcement is published on the websites of the Stock Exchange (**www.hkexnews.hk**) and the Company (**www.jwtherapeutics.com**), and the 2023 interim report containing all the information required by the Listing Rules will be dispatched to the Shareholders and published on the respective websites of the Stock Exchange and the Company in due course.

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

Shanghai, PRC, August 29, 2023

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

* *For identification purpose only*